

**Set High U.S. Mission**  
 Ronald Reagan, president, and his wife, Nancy, will arrive in London on May 23. The mission is to present the U.S. civilian award, the Presidential Medal of Freedom, to the late Sir Winston Churchill. The ceremony will be held at the Royal Albert Hall. The mission is also to meet with British Prime Minister Margaret Thatcher and other officials. The mission is expected to last about two weeks.

**U.S. Warns of Backlash To Stymied Trade Talks**  
 By Axel Krause  
 International Herald Tribune  
 PARIS — William E. Brock, the U.S. trade representative, warned Wednesday that if his country's main trading partners do not agree to start negotiations on liberalizing trade early in 1986, it could trigger protectionist measures in Congress. He said that, in the absence of an agreement, the Reagan administration would be forced to start negotiations with any government that wanted to participate. "We will be in negotiation next year with whoever wants to participate," Mr. Brock said, adding that the administration would move ahead with other U.S. trading partners on a bilateral, or some other, expanded basis. Mr. Brock's renewed call for the negotiations, made at a meeting of businessmen in Paris, was expected to be one of several issues on the agenda of the annual two-day ministerial meeting of the Organization for Economic Cooperation and Development, which begins Thursday in Paris. Attending will be officials from the agency's 24 member countries, including Mr. Brock. He said preparations for the meeting were continuing and that he hoped negotiations would begin in January or February under the auspices of the General Agreement on Tariffs and Trade, the Geneva-based agency that includes about 90 nations. However, Willy de Clercq, the European Community commissioner in charge of external relations, said in a statement that the Community would not begin negotiations until after the end of the year.

**REAL ESTATE FOR SALE**  
 FRENCH PROVINCE  
 DOWNTOWN ST. LOUIS  
 1000 sq. ft. 3 bedrooms, 2 bathrooms, hardwood floors, central air conditioning, finished basement, close to schools and shopping. Call: 314-241-1234.

**PAGE 13 FOR MORE CLASSIFIEDS**

The Global Newspaper  
 Edited in Paris  
 Printed Simultaneously  
 in Paris, London, Zurich,  
 Hong Kong, Singapore,  
 The Hague and Marseille

# INTERNATIONAL Herald Tribune

Algeria	6.60 Dhs	Israel	15.80 NIS	Norway	7.80 NOK
Austria	20.5 S	Italy	1500 Lire	Oman	0.200 Rial
Bahrain	0.650 Dhs	Jordan	450 Fds	Portugal	200 Esc
Belgium	45 Bfr	Kuwait	Shs. 14.00	Qatar	6.50 Rial
Canada	1.25 C\$	Luxembourg	500 Fds	Repub. of Ireland	7.00 P
Cyprus	0.8 C\$	Laos	20.00	Saudi Arabia	400 R
Czechoslovakia	8.00 Dhs	Libania	0.25.00	Spain	160 Ptas
Egypt	100 P	Lithuania	1.00 N. 3.00	Sweden	110 P
Finland	7.00 Fmk	Malaysia	45 Lfr.	Switzerland	2.20 Sfr
France	6.00 Ffr	Malta	105 Cts	Taiwan	100 N.T.S.
Germany	2.50 DM	Mexico	25 Cts	Turkey	1.000 Liras



## Karami, in Protest Of Violence, Plans To Boycott Cabinet

United Press International  
BEIRUT — Prime Minister Rashid Karami, angered by continued fighting in the southern port city of Sidon, said Wednesday he will not attend cabinet meetings until previous resolutions to end the conflict between Christians and Moslems are implemented.

Mr. Karami said this did not mean he had resigned from Lebanon's 11-month-old coalition government. Shortly afterward, Salim al-Hoss, a former prime minister who is the education minister, said he was in "full solidarity and complete agreement" with Mr. Karami.

The minister of tourism, Walid Jumblatt, and the minister of justice, Nabih Berri, have boycotted cabinet meetings since the beginning of this year. Political sources said that Mr. Karami's move could lead to the collapse of the Syrian-engineered Christian-Moslem coalition.

"Things are falling apart, and fast," said one government source, who declined to be named. Mr. Karami's decision, which was seen by some political sources as an attempt to pressure his Christian and Moslem colleagues into greater flexibility, coincided with continued heavy fighting in Sidon between Christian militias and Palestinian-backed Moslem forces, and reports of an Israeli naval attack on targets around the city.

Independent confirmation of the naval attack could not be made immediately, but in Beirut the state-run radio, quoting "reports from the region," said that Israeli gunboats had fired on the Christian village of Maghdoushe, the Moslem village of Ghazieh, and the Palestinian camp of Ain el Helweh. Police said Wednesday's fighting in Sidon killed at least one person and wounded 14 others.

The Lebanese cabinet decided to dispatch more troops to Sidon to help end the fighting, but these troops were unable to get to the city because of inadequate equipment and objections by Mr. Berri to the use of government troops in Sidon. In another development, a senior Israeli official said Wednesday in Jerusalem that UN peacekeeping forces in southern Lebanon apparently will remain in their present positions for another six months. This assessment came a day after the Israelis were briefed by the un-

dersecretary-general of the United Nations, Brian E. Urquhart, on his meetings with Syrian and Lebanese leaders on extending the mandate of the UN forces. It is due to expire April 18.

■ **Christians Denounce Israel**  
In a political victory for President Amin Gemayel, 30 of Lebanon's senior Christian leaders issued a statement Tuesday denouncing Israel and stressing the importance of building a strong relationship with Syria. The New York Times reported from Beirut that the declaration was seen in Beirut as the most clear-cut statement of Christian attitudes on Israel and Syria in the last decade. It also was a significant gesture to Mr. Gemayel in his struggle against Christian opponents who have challenged his authority and pro-Syrian policy.

The statement was made public after a four-hour meeting that Mr. Gemayel had called at the residence of Antoine Khoraiche, the patriarch of Lebanon's largest Christian community, the Maronites, near the port of Jounieh, north of Beirut.

Israel, the statement declared, was responsible for stirring up Christian-Moslem clashes in the Sidon area and emphasized Lebanon's links with the rest of the Arab world "with a particular emphasis on the strong bonds between Lebanon and Syria."

The meeting was called, reportedly, under pressure from Syria. The signers of the declaration included former presidents, all the Christian members of the cabinet and spiritual leaders.

■ **Israelis Threaten Shiites**  
Israeli security sources said Wednesday that Shiite Moslem areas in southern Lebanon "will cease to exist" if Shiite guerrillas attack Israel after its troops withdraw. Reuters said that Israel's state radio reported in Tel Aviv.

"If Shiite terror continues, the Israeli Army will react in the strongest way with artillery and movement" into Lebanese territory, the radio quoted the sources as saying. "We will make it clear to the Shiite leadership that their area will cease to exist if our settlements are shelled." On Tuesday, a young woman drove a car laden with explosives into a group of Israeli military vehicles, killing two Israeli soldiers.



THATCHER IN JAKARTA — Dancers entertained Prime Minister Margaret Thatcher of Britain during her visit to Indonesia, the fourth stop on a tour of six Asian nations. Mrs. Thatcher conferred nearly two hours Wednesday with President Suharto.

## The Gentrification of San Francisco

(Continued from Page 1)  
But here, the difference is in degree. San Francisco has experienced each of these changes "earlier and to a greater extent than any other area in the country," said Kevin McCarthy, a demographer at the Rand Corporation in Santa Monica, California.

Of the 13 largest cities in the nation in 1980, San Francisco (current population 706,900) had the largest percentage (22 percent) of residents between ages 25 and 34, the segment of the population most likely to have children. It also had the lowest percentage of children 13 and younger.

Of those 13 largest cities, San Francisco was one of only two that showed a drop in black population between the 1970 and 1980 censuses. A recent city report says two-thirds of the downtown work force is white, and that whites hold three-

fourths of the management and technical jobs. Those jobs have the highest salaries, with more than half paying at least \$25,000, making San Francisco paychecks among the biggest of the largest American cities.

Proponents of further growth say the building boom merely reflects San Francisco's healthy economy. Bob Hayden of the Chamber of Commerce called the downtown high-rise buildings "vertical factories." And those factories hold down the city's unemployment rate to about 6 percent.

Mayor Dianne Feinstein touts San Francisco to foreign investors, who in turn finance much of the construction. So far this year, she has been to London and the Far East on trade missions.

But while the city bustles, some researchers react with caution, warning San Francisco as well as other cities that rely on service in-

dustries for employment. Several corporations have moved much of their operations to suburbs, where land costs less and where work, done largely on computer, can be done just as easily.

A few years ago, there were no vacant offices here. Now, there is a 10 percent vacancy rate.

But probably unique to San Francisco is the worry that the city may be losing its charm and diversity.

"The danger is that San Francisco will become a Disneyland, a parody where a few blocks remain to show what life used to be like here," said Paul F. Wartelle, a public interest lawyer who represented the Brandolinos in their fight against eviction.

For the long term, the San Francisco Board of Supervisors is debating a new master plan for downtown development.

## Dutch Aide, In Moscow, Reaffirms Missile Stand

The Associated Press  
MOSCOW — The Dutch foreign minister said Wednesday that talks here with Foreign Minister Andrei A. Gromyko did not produce any developments likely to change the Dutch position on accepting U.S. medium-range nuclear missiles.

The minister, Hans van den Broek, said he was "disappointed" in the Soviet reaction to what he called a Dutch "signal" toward reducing nuclear arms in Europe.

Mr. van den Broek arrived Tuesday in Moscow for a brief visit with Mr. Gromyko to outline the position of the Netherlands on medium-range missiles.

The Soviet leader, Mikhail S. Gorbachev, announced Sunday that he had ordered deployment of medium-range missiles in Europe to be halted until Nov. 1.

The Dutch government has said that it would decide Nov. 1 on how many U.S. medium-range missiles it would deploy as a member of the North Atlantic Treaty Organization. The Netherlands had been expected to deploy 48 cruise missiles.

NATO decided in 1979 to deploy 464 cruise and 108 Pershing-2 missiles in Western Europe if the Soviet Union and the United States did not agree to reduce medium-range nuclear missiles in Europe.

The other four countries designated to receive the missiles, West Germany, Italy, Britain and Belgium, have started deploying them.

The Dutch said the number of missiles to be deployed in the Netherlands would depend upon how many SS-20 missiles the Soviet Union had deployed since June.

NATO says the Soviet Union had deployed 378 SS-20s by June and now have 414, an increase of 36.

Mr. van den Broek said he told Mr. Gromyko it was inevitable that the Netherlands would take the U.S. missiles unless the Soviet numbers are reduced.

Asked if Mr. Gromyko had challenged the NATO figures, or had given his own, Mr. van den Broek said the foreign minister had not.

■ **French-German Position**  
Foreign Minister Hans-Dietrich Genscher of West Germany indicated Tuesday that the French and West German governments planned to develop a joint position on President Ronald Reagan's proposal for space-based missile defenses that could serve as the basis of a common European stance on the issue, the Los Angeles Times reported from Bonn.

In a written statement on European technical cooperation, Mr. Genscher noted West German efforts to forge a united European position on the Reagan program.

"As already proposed with the French government, it involves a French-German position as the starting point of a European position to which other interested European countries are invited to help develop," he said.

Both Mr. Genscher and the French minister for external relations, Roland Dumas, indicated last month in Brussels that France and West Germany might cooperate in response to the Reagan initiative, but Mr. Genscher's statement Tuesday was viewed as the clearest sign yet that the two countries would conclude such an arrangement.

Mr. Genscher said that "the government will not move an inch" beyond the settlement, which puts a 2-percent ceiling on wage increases in the public and private sectors.

The walkouts Wednesday, following 17 days of the worst labor unrest Denmark has had for years, affected factories, schools, hospitals, public transport, newspapers and government offices.

Garbage in the capital again went uncollected and Denmark's two biggest ports, Copenhagen and Aarhus, remained closed, although other harbors seemed unaffected, dock officials said.

Ferry officials said police had cleared a 700-strong picket line at the Elsinore terminal for ferries to Sweden. Some hospitals handled only emergency cases.

The day of protest was called by leftist union shop stewards in defiance of both government orders to return to work and of national union officials, who are legally bound by the imposed wage settlement.

But Prime Minister Poul Schlüter said that "the government will not move an inch" beyond the settlement, which puts a 2-percent ceiling on wage increases in the public and private sectors.

The walkouts Wednesday, following 17 days of the worst labor unrest Denmark has had for years, affected factories, schools, hospitals, public transport, newspapers and government offices.

Garbage in the capital again went uncollected and Denmark's two biggest ports, Copenhagen and Aarhus, remained closed, although other harbors seemed unaffected, dock officials said.

Ferry officials said police had cleared a 700-strong picket line at the Elsinore terminal for ferries to Sweden. Some hospitals handled only emergency cases.

The day of protest was called by leftist union shop stewards in defiance of both government orders to return to work and of national union officials, who are legally bound by the imposed wage settlement.

But Prime Minister Poul Schlüter said that "the government will not move an inch" beyond the settlement, which puts a 2-percent ceiling on wage increases in the public and private sectors.

The walkouts Wednesday, following 17 days of the worst labor unrest Denmark has had for years, affected factories, schools, hospitals, public transport, newspapers and government offices.

Garbage in the capital again went uncollected and Denmark's two biggest ports, Copenhagen and Aarhus, remained closed, although other harbors seemed unaffected, dock officials said.

Ferry officials said police had cleared a 700-strong picket line at the Elsinore terminal for ferries to Sweden. Some hospitals handled only emergency cases.

The day of protest was called by leftist union shop stewards in defiance of both government orders to return to work and of national union officials, who are legally bound by the imposed wage settlement.

## WORLD BRIEFS

### Rights Spokesman Banned in Prague

VIENNA (AP) — Jiri Hajek, principal spokesman for the Charter 77 rights movement, was officially requested to leave Prague for 48 hours on the eve of the arrival Wednesday of Sir Geoffrey Howe, the British foreign secretary, a dissident source said.

The whereabouts of Mr. Hajek, 71, who served as foreign minister during the short-lived "Prague Spring" liberalization period in 1968, were not known, the source said. But he is known to own a small cottage south of Prague.

The source said that the authorities apparently wanted to prevent a possible meeting between Mr. Hajek and Sir Geoffrey. When the West German foreign minister, Hans-Dietrich Genscher, visited Prague last December, Mr. Hajek was permitted to stay home and was visited by an official of Mr. Genscher's party.

### Bonn Recalling Ambassador to Libya

BONN (UPI) — West Germany announced Wednesday it is recalling its ambassador to Libya for consultations following the assassination of a Libyan exile, but said it does not plan to break off diplomatic relations.

A government spokesman said the decision to recall Rolf Enders, the ambassador in Tripoli, was made Wednesday at a cabinet meeting that heard an interior ministry report on the killing Saturday of Ghebl el Denali, 30. The spokesman said that Bonn was hearing in mind the fate of 1,500 West Germans working in Libya.

He reported that the gunman, Fakhri el Tarhoni, told police interrogators that he came to West Germany in January from Libya intending to kill opponents of the regime in Tripoli, but that he acted on his own with no support from the Libyan government. The government of Colonel Moammar Qadhafi has denied any role in the assassination.

### Countdown Begins for Shuttle Launch

CAPE CANAVERAL, Florida (UPI) — The countdown began Wednesday for Friday's launch of the space shuttle Discovery, following weeks delays because of technical problems. Senator Jake Garn, Republican of Utah, is scheduled to be on board.

Mark Hess, a spokesman for the National Aeronautics and Space Administration, said the countdown, which includes about 11 hours of built-in "holds," began on time. The launch is scheduled for 8:04 A.M. Friday.

The crew is to consist of Karol Bobko, the commander, Donald Williams, the co-pilot, Mr. Garn, Jeffrey Hoffman, Dr. Margaret Rhea Seddon, David Griggs and Charles D. Walker. They plan to spend five days in orbit and launch a pair of communications satellites. Mr. Garn, chairman of the Senate subcommittee that monitors the space agency's budget, is to act as a congressional observer and conduct a series of medical experiments.

### Conservatives Ask AID Chief to Resign

WASHINGTON (NYT) — Conservative groups have called for the resignation of M. Peter McPherson, administrator of the Agency for International Development, following a stormy meeting with him last week.

At the meeting, the groups criticized AID policies in Mozambique and El Salvador, as well as the agency's \$36 million contribution to a United Nations fund for population control. Paul M. Weyrich, director of the Committee for the Survival of a Free Congress, said Tuesday that nearly 30 conservative groups had joined his call for Mr. McPherson's removal.

Mr. Weyrich's group charged in a recent letter to President Ronald Reagan that AID was violating a law passed in Congress last year prohibiting support for the fund until it ends its activities in countries that promote coercive population control.

### For the Record

A 24-hour strike Tuesday by 180 television reporters at the British Broadcasting Corp. forced the cancellation of several news and public affairs programs. The employees went on strike after the BBC refused to renew the contracts of seven senior reporters.

President Ronald Reagan appointed Linda Chavez on Tuesday to head his Office of Public Liaison, making her the highest-ranking Hispanic woman in the White House.

China's National People's Congress unanimously approved on Wednesday the Chinese-British declaration on the return of Hong Kong to China in 1997.

British police detained 20 anti-nuclear protesters Wednesday after they broke into the Alconbury military base in eastern England, used by the U.S. Air Force, a Defense Ministry spokesman said in London.

The Iraqi government accused the acting West German chargé d'affaires in Baghdad on Wednesday of interference in Iraqi internal affairs and ordered him to leave Baghdad within seven days. The diplomat's activities were not described.

### Danes Resume Walkouts To Protest Wage Agreement

COPENHAGEN — Tens of thousands of Danish workers defied union leaders Wednesday and went on strike again to protest a two-year wage agreement imposed by the government.

But Prime Minister Poul Schlüter said that "the government will not move an inch" beyond the settlement, which puts a 2-percent ceiling on wage increases in the public and private sectors.

The walkouts Wednesday, following 17 days of the worst labor unrest Denmark has had for years, affected factories, schools, hospitals, public transport, newspapers and government offices.

Garbage in the capital again went uncollected and Denmark's two biggest ports, Copenhagen and Aarhus, remained closed, although other harbors seemed unaffected, dock officials said.

Ferry officials said police had cleared a 700-strong picket line at the Elsinore terminal for ferries to Sweden. Some hospitals handled only emergency cases.

The day of protest was called by leftist union shop stewards in defiance of both government orders to return to work and of national union officials, who are legally bound by the imposed wage settlement.

But Prime Minister Poul Schlüter said that "the government will not move an inch" beyond the settlement, which puts a 2-percent ceiling on wage increases in the public and private sectors.

The walkouts Wednesday, following 17 days of the worst labor unrest Denmark has had for years, affected factories, schools, hospitals, public transport, newspapers and government offices.

Garbage in the capital again went uncollected and Denmark's two biggest ports, Copenhagen and Aarhus, remained closed, although other harbors seemed unaffected, dock officials said.

Ferry officials said police had cleared a 700-strong picket line at the Elsinore terminal for ferries to Sweden. Some hospitals handled only emergency cases.

The day of protest was called by leftist union shop stewards in defiance of both government orders to return to work and of national union officials, who are legally bound by the imposed wage settlement.

But Prime Minister Poul Schlüter said that "the government will not move an inch" beyond the settlement, which puts a 2-percent ceiling on wage increases in the public and private sectors.

The walkouts Wednesday, following 17 days of the worst labor unrest Denmark has had for years, affected factories, schools, hospitals, public transport, newspapers and government offices.

Garbage in the capital again went uncollected and Denmark's two biggest ports, Copenhagen and Aarhus, remained closed, although other harbors seemed unaffected, dock officials said.

Ferry officials said police had cleared a 700-strong picket line at the Elsinore terminal for ferries to Sweden. Some hospitals handled only emergency cases.

## Heart Patient Identified as Tax Suspect

STOCKHOLM — Europe's first recipient of a permanent artificial heart, in satisfactory condition at a Stockholm hospital four days after his operation, was identified Wednesday by his lawyer as a 52-year-old businessman on trial for tax evasion.

Bjorn Rosengren, the lawyer, identified his client as Lef Stenberg, who has been called "Mr. X" by some Swedish newspapers for his alleged involvement in complex financial dealings under investigation by the police and tax authorities.

Mr. Rosengren told the Swedish news agency Tidningarnas Telegrambyrå that he had asked for longstanding tax evasion charges against Mr. Stenberg to be dropped because of his poor health.

"Stenberg has long been ill and has had two heart attacks," Mr. Rosengren said. "He has had a tough time."

Mr. Stenberg, who had asked not to be identified, was given a plastic and metal heart by a 12-member surgical team led by Dr. Bjørn K. Semb in a 10-hour operation Sunday. It was the first implant of a permanent artificial human heart outside the United States.

A spokeswoman for the Karolinska Hospital declined to confirm



Lef Stenberg

the patient's identity, but said his condition was satisfactory and that he was feeling well.

Swedish newspapers said Mr. Stenberg, twice married to the same woman, had built up a business empire beginning as a used-car salesman.

They said that police investigations of his activities began with a series of raids on his premises throughout Sweden in 1976. He was charged with tax offenses in 1978 but there has been no verdict in the case, partly due to delays caused by his poor health.

Mr. Rosengren said the charges concerned alleged unpaid taxes of 400,000 kronor (about \$43,950).

Mr. Stenberg's American-designed heart, known as the Jarvik-7, is operated by an external air compressor.

## Poles Find Regime Inept, Study Says

(Continued from Page 1)  
effectiveness with which the government's "voiced declarations are implemented."

"More and more, charges are raised that the regime is not able to execute its own decisions," the study says. Often, it continues, "reality is ignored when tasks are set." And it adds, with a note of urgency, "The directive for today and tomorrow should be credibility."

Apathy, buck-passing and a feeling of resignation are said to afflict Communist Party bureaucrats, civil servants and economic managers alike, posing a "serious threat" to the conduct of state policies.

Poland's economic troubles, it continues, have compounded these attitudes and contribute to "passivity, mistrust and sometimes justifiable fatigue due to living conditions" in the society as a whole.

The authors of the study were not identified. But given the level at which it was reviewed, the report appears likely to have a broad influence on the government's perceptions of the tensions and divisions in Polish society.

The study suggests the Jaruzelski regime has a deep sense of insecurity, which at times seems to verge on absurdity. In listing social threats to youth and educational institutions, the report lists drug addiction with "free summer camps for children" sponsored by the Roman Catholic Church. And it alleges that the church is engaged in a campaign to "take over the minds

of the society, especially its youth." Infiltration is a recurrent theme. In addition to subverting children at summer camps, the church is accused of conducting "ideological infiltration of the scout movement" while trying to expand its influence in schools, factories, health and recreational facilities.

The report stresses the need for dealing openly and honestly with the public on the country's serious economic and social problems, "through dialogue that is real, not sham."

The study offers few concrete prescriptions for Poland's ills, except in regard to the two sectors of society seen as posing the greatest resistance to the regime: intellectuals and the church.

It recommends no specific actions against the church but says the "state of implementation of policy toward the church, and of church-state relations, should be reassessed."

Its ideas for dealing with intellectuals are more sharply defined. Coming shortly before this month's plenum of the party Central Committee, which is to deal with issues of the intelligentsia, the report indicates that the government contemplates rolling back the measure of freedom that universities and research institutes gained during the Solidarity era in 1980-81.

The report says the regime should "eliminate determined opponents, especially among academic cadres," and that intellectuals should be reminded of their dependence on the state.

U.S. exports to Japan in 1984 were valued at about \$27 billion, up about 9 percent from 1983. About a quarter of that was agricultural products—Japan is the single largest foreign market for U.S. farms.

Many Japanese officials concede the buy-foreign approach can have only minor effect. In their view, Japan already is an essentially free market.

Successful foreign consumer goods in Japan are often luxury items — French dresses, Italian shoes, Swiss watches.

About 42,000 foreign cars, 2,400 of them American, were registered in Japan last year. The great mass of the market remains firmly in the hands of the locals.

■ **EC Complaints**  
The European Community asserted Wednesday that Japan's latest plans to increase imports would benefit U.S. companies at the expense of the EC, whose trade deficit with Japan last year amounted to about \$10 billion. The Associated Press reported from Brussels.

States into a new involvement in Southeast Asia.

"What the United States should do is contribute actively to the founding of peace in Indochina and Southeast Asia, and not the reverse," the daily said.

■ **Fighting Reported**  
Cambodian guerrillas with mortars and rocket-propelled grenades retaliated Wednesday against a Vietnamese attack on two guerrilla camps. The Associated Press reported Thai military sources as saying in Aranyaprathet, Thailand.

Vietnamese troops, supported by howitzers, attacked the Prey Chan and Rithien camps Tuesday and Wednesday, killing or wounding about 20 guerrilla defenders, they said. Vietnamese casualties were not known.

U.S. exports to Japan in 1984 were valued at about \$27 billion, up about 9 percent from 1983. About a quarter of that was agricultural products—Japan is the single largest foreign market for U.S. farms.

Many Japanese officials concede the buy-foreign approach can have only minor effect. In their view, Japan already is an essentially free market.

Successful foreign consumer goods in Japan are often luxury items — French dresses, Italian shoes, Swiss watches.

About 42,000 foreign cars, 2,400 of them American, were registered in Japan last year. The great mass of the market remains firmly in the hands of the locals.

■ **EC Complaints**  
The European Community asserted Wednesday that Japan's latest plans to increase imports would benefit U.S. companies at the expense of the EC, whose trade deficit with Japan last year amounted to about \$10 billion. The Associated Press reported from Brussels.

States into a new involvement in Southeast Asia.

"What the United States should do is contribute actively to the founding of peace in Indochina and Southeast Asia, and not the reverse," the daily said.

■ **Fighting Reported**  
Cambodian guerrillas with mortars and rocket-propelled grenades retaliated Wednesday against a Vietnamese attack on two guerrilla camps. The Associated Press reported Thai military sources as saying in Aranyaprathet, Thailand.

Vietnamese troops, supported by howitzers, attacked the Prey Chan and Rithien camps Tuesday and Wednesday, killing or wounding about 20 guerrilla defenders, they said. Vietnamese casualties were not known.

U.S. exports to Japan in 1984 were valued at about \$27 billion, up about 9 percent from 1983. About a quarter of that was agricultural products—Japan is the single largest foreign market for U.S. farms.

Many Japanese officials concede the buy-foreign approach can have only minor effect. In their view, Japan already is an essentially free market.

Successful foreign consumer goods in Japan are often luxury items — French dresses, Italian shoes, Swiss watches.

About 42,000 foreign cars, 2,400 of them American, were registered in Japan last year. The great mass of the market remains firmly in the hands of the locals.

■ **EC Complaints**  
The European Community asserted Wednesday that Japan's latest plans to increase imports would benefit U.S. companies at the expense of the EC, whose trade deficit with Japan last year amounted to about \$10 billion. The Associated Press reported from Brussels.

States into a new involvement in Southeast Asia.

"What the United States should do is contribute actively to the founding of peace in Indochina and Southeast Asia, and not the reverse," the daily said.

■ **Fighting Reported**  
Cambodian guerrillas with mortars and rocket-propelled grenades retaliated Wednesday against a Vietnamese attack on two guerrilla camps. The Associated Press reported Thai military sources as saying in Aranyaprathet, Thailand.

Vietnamese troops, supported by howitzers, attacked the Prey Chan and Rithien camps Tuesday and Wednesday, killing or wounding about 20 guerrilla defenders, they said. Vietnamese casualties were not known.

**TAKE OFF WITH A BIG WIN!**

Now try the Lottery with only **80,000 Tickets**

**WINNING CHANCES: 1:2**

Yes, only 80,000 tickets participate in the 120<sup>th</sup> Austrian Lottery, bringing YOU closer to BIG WINS like these:

**1st Prize: US \$ 540,000.00**  
**2nd Prize: US \$ 270,000.00**

3rd Prize: \$ 225,000.00      2 Prizes of \$ 180,000.00  
2 Prizes of \$ 135,000.00      2 Prizes of \$ 90,000.00  
31 Prizes of \$ 45,000.00      35 Prizes of \$ 22,500.00  
PLUS 44,825 Other Cash Prizes up to \$ 13,500.00

**Total Prize Money: \$ 19,080,000.00**

• Your winning chances are the best worldwide, since one out of every two tickets wins at least the cost of the ticket.  
• All winnings paid out tax-free in any currency, anywhere.  
• For your protection, the Austrian Lottery is under strict government control.  
Make a date with luck! Write today, using coupon, for brochure and ticket application form

to **PROKOPF INTERNATIONAL**  
official distributor for the Austrian National Lottery.

29 Mariahilfer Str. (Since 1913) A-1061 Vienna, Austria.

Please send me a brochure and ticket application form for the 120<sup>th</sup> Austrian National Lottery.

Name \_\_\_\_\_  
Address \_\_\_\_\_  
City/Country \_\_\_\_\_ ZIP \_\_\_\_\_

MAIL TODAY • WIN TOMORROW • MAIL TODAY • WIN

The ultimate in condominium luxury at two of Manhattan's most prestigious addresses:



## RIEFS

**Uned in Prague**  
spokesman for the Chinese  
to leave Prague for 48 hours.  
Geoffrey Howe, the British  
to served as foreign minister  
realization period in 1968.  
n to own a small cottage.

**ssador to Libya**  
ced Wednesday it is re-  
following the assassination  
reak off diplomatic rela-  
sion to recall Rolf Encke,  
day at a cabinet meeting.  
killing Saturday of Gen.  
was bearing in mind the  
Tarhoni, told police inter-  
nary from Libya meeting  
that he acted on his own  
The government of Cali-  
he assassination.

**Shuttle Launch**  
The countdown be-  
gins for the shuttle  
Discovery, launched  
Senator Jake Garn, Rep.  
ko, the commander, Dr.  
Hoffman, Dr. Margus Re-  
alker. They plan to spend  
communications satellites. The  
monitors the space ve-  
rver and conduct a re-

**Chief to Resign**  
ve groups have called for  
the resignation of the Ag-  
nomy meeting with Sen.  
J policies in Mozambique  
lition contribution to a  
M. Werrich, director of  
gress, said Tuesday that  
or Mr. M. Theron's re-  
nt letter to President Re-  
cessed in Congress last  
ands its activities in con-

ision reporters at the  
of several news and re-  
strike after the BBC re-  
da Chavez on Tuesday  
the highest-ranking mem-  
unanimously approved  
on the return of Hong  
voters Wednesday after  
eastern England, said  
nan said in London. He  
ug West German cham-  
ference in Iraq interna-  
n seven days. The diplo-

## Talkouts

**Agreement**  
out 100,000 people  
est demonstration  
ent in Copenhagen.  
ie Danish Employers  
said that about 20,000  
e private sector were  
uly one in 12 of the  
900 covered by col-  
ments.  
rine officials said the  
n's support was oper-  
n, with supervision  
of strikers. But the  
ce was disrupted.  
ry officials said pub-  
ed a 700-strong pick-  
disrupt terminal for in-  
ten. Some hospitals  
emergency cases.  
e day of protest was  
t union shop stewards  
both of government  
n to work and of  
y officials, who are  
d by the imposed

## Talks

reat surprises," and  
ous statements, he is  
tax increase.  
What new commun-  
pean countries make  
g their economies  
D officials have  
West Germany consid-  
og tax cuts in its  
stages for 1986 and  
ed to a lesser de-  
t adopt more em-  
itary and fiscal  
ng to these offi-  
S. officials also  
uns governments to  
ent controls over  
ters, state-owned  
ubsidies.  
est German offi-  
our speeding up in  
and most European  
resisted making  
regulate their econ-  
flow and when will  
to its market-  
liberalization pol-  
Tuesday in Tokyo  
and OECD sources  
willingness to  
my was a prom-  
it moves in their  
Brook, who was  
U.S. secretary of  
's package re-  
ge, "but that the  
in "cautious" be-  
ises by Tokyo to  
ese economic

Libel Verdict  
Upsets Editors  
By Citing  
'Muckraking'

**WASHINGTON** — Newspaper editors in the United States have expressed dismay that a U.S. appeals court reinstated a libel verdict against The Washington Post in an action brought by a retired president of the Mobil Oil Corp.

The decision, handed down Tuesday by the U.S. Court of Appeals for the District of Columbia, was particularly troubling to many American editors, who have gathered here for their annual convention. In recent years the editors have come to view U.S. appeals courts as bastions defending news organizations from the large libel judgments that have become almost commonplace in lower courts.

"It's become an epidemic," said Gene Roberts, executive editor of The Philadelphia Inquirer. He said that about 21 libel suits brought by public officials against news organizations in Philadelphia were before the courts.

The decision Tuesday involved a Washington Post article that said William P. Tavoulareas, the plaintiff, had "set up his son," Peter, in the shipping business. It implied that he had used his position and corporate assets to benefit his son by steering Mobil business to his son's company, Atlas Maritime, based in London.

Critics of the news media applauded the ruling. "We were quite overwhelmed and pleased," said Michael P. McDonald, general counsel to the American Legal Foundation, a conservative public interest law firm that helps people bring libel suits.

The editors said they were especially troubled that a majority of the three-judge panel cited The Post's emphasis on "hard-hitting investigative stories" or "sophisticated muckraking" as a relevant factor in considering whether a newspaper's employees had acted in reckless disregard of the truth.

The term "muckrakers" was first applied to a group of American journalists, active at the turn of the century, who were committed to the exposure of industrial abuses and political corruption.

Mr. Tavoulareas said he had "felt from the beginning that The Post either knew the story was false or published it with reckless disregard for whether it was true or false."

The Post's lawyers said Tuesday that they would ask the 10 full-time judges of the appeals court to rehear arguments in the case and overturn Tuesday's decision.



Tom Bradley gives the victory sign in Los Angeles.

Bradley Wins 4th Term  
As Mayor of Los Angeles

**LOS ANGELES** — Tom Bradley, who became the first black mayor of Los Angeles in 1973, has won a fourth term in office.

Mr. Bradley, 67, led the campaign to bring the Olympic Games to the second biggest U.S. city last summer and has been credited with rebuilding the decaying business center.

He told his cheering supporters: "Los Angeles has made history. This city elects its leadership based not on color or sex. Los Angeles is the city of hope and opportunity, and I am the living example of this principle."

With votes from Tuesday's election still being counted Wednesday, Mr. Bradley was ahead of his chief opponent, John Ferraro, by a 67-percent to 31-percent margin. There was a low election turnout among the city's 1,370,000 voters.

Many political experts think that Mr. Bradley, a liberal Democrat, will seek the governorship of California again next year. He was defeated in 1982 by 52,195 votes out of 7.5 million cast.

## Query Didn't Halt Awards to General Dynamics

(Continued from Page 1)

to Electric Boat and \$1.15 billion to other company divisions.

At the same time, the air force has contracted with the company for \$2.3 billion in new work, mostly for assembly of the F-16. And the army, whose M-1 tank is built by General Dynamics, has given the company \$1.15 billion in work.

"Sometimes they're the sole bidder for work that has to be done," Defense Secretary Caspar W.

Weinberger recently said of the General Dynamics awards. "We do need these things and we need them quickly."

Eleanor Spector, deputy assistant secretary for acquisition, said that cutting off General Dynamics from new military work was "not cost-effective." To find an alternate supplier for such weapons as the F-16, she said, the Pentagon would have to delay delivery and equip a new company at costs of \$1 billion.

## Taipei Trial: The Who, But Not Why

Key Untouched Issue Was Government's Role in Murder

By Steve Lohr  
New York Times Service

**TAIPEI** — Although two gang members have been convicted of plotting and carrying out the murder last year of a Chinese-American writer in California, key aspects of the internationally watched case remain unresolved.

"The central issue that hasn't been explained is the motivation,"



Chen Chi-li



Wu Tun

noted one Westerner who has followed the case closely.

Two members of the Bamboo Union, Taiwan's biggest gang, were found guilty of killing Henry Liu, who had written a critical biography of Taiwan's president, Chiang Ching-kuo. Mr. Liu was shot to death in the garage of his Daly City, California, home on Oct. 15, 1984.

The three-judge panel of the Taipei District Court handed down life sentences to Chen Chi-li, the leader of the Bamboo Union, and Wu Tun, who had confessed to being one of the gunmen. They will be eligible for parole after serving 10 years.

A third gang member, Tung Kuei-sen, has been indicted but is believed to have fled the country.

Those who watched the case said that in its verdict the court seemed to acknowledge, by not giving the two men the maximum penalty of death, that they did not bear sole responsibility for the killing.

The court said Mr. Wu had no reason to kill Mr. Liu and that he was merely following the orders of his boss, Mr. Chen. And Mr. Chen, the judges said, had cooperated with the court and confessed.

What Mr. Chen confessed was that he had followed the orders of the former chief of Taiwan's military intelligence bureau to have Mr. Liu killed. That far more sensitive issue, with the culpability in the Liu murder possibly extending to the upper levels of a government agency, is being handled in a second court case.

agree with Mr. Chen's testimony that he had said the dissident writer should be "taught a lesson." The admiral also admitted that he gave Mr. Chen a photograph of Mr. Liu and his address. Mr. Chen, a known gangster, then was given training by the intelligence bureau.

Still, Admiral Wang insisted in testimony to the military court last week that the killing itself was solely Mr. Chen's idea. "I shouldn't have to take responsibility," the admiral said.

The possibility that the former intelligence chief will escape any punishment seems increasingly unlikely, officials here suggest. Recent comments by senior government officials portray the admiral and his colleagues as a handful of misfits. The comments also stress that associating with gangsters and killing political dissidents are not government policy.

In response to questions from legislators, Premier Yu Kuo-hua said: "There are intelligence and security units in every country. And in every agency or organization it's unavoidable that there will be a few misguided elements."

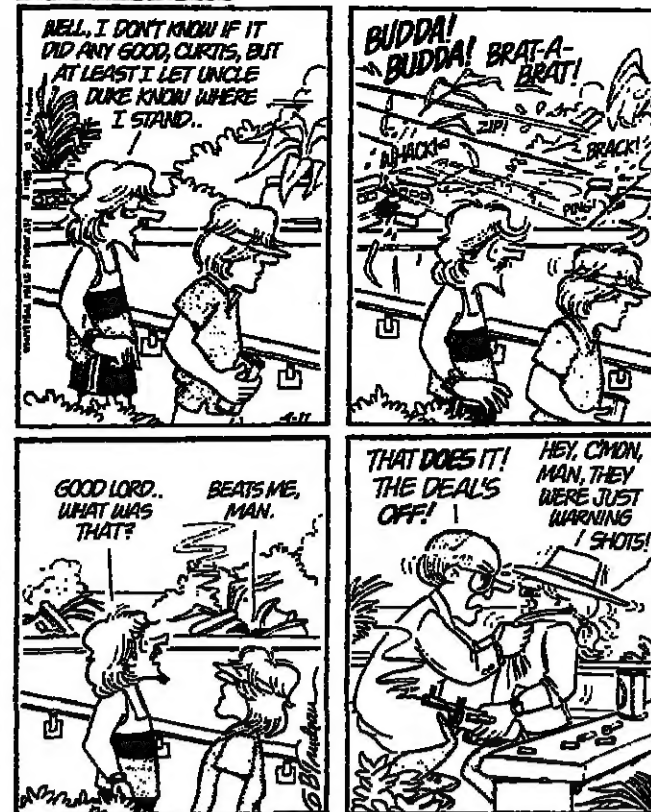
But all the official distancing from the intelligence bureau's activities does not explain what the motive, however misguided, may have been for the actions by Admiral Wang, who was a military secretary to Chiang Kai-shek, the Nationalist leader who died in 1975.

Government critics and Westerners who watched the case closely are skeptical that there will be a full airing of the issues in Taiwan's courts, especially with the potential of further embarrassment to the government.

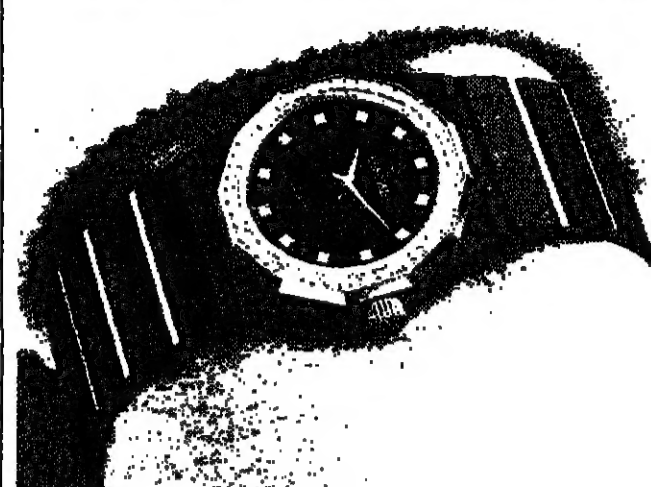
"These are show trials to give the world the impression that justice has been done," said Antonio Chiang, the editor of an opposition magazine. "But the government will try to close the case down fairly quickly, and it looks like Vice Admiral Wang will be sacrificed."

By Taiwan standards, the openness of the trials have been extraordinary. And much of the testimony has been an embarrassment to the government. The local newspapers, which are government controlled, have carried thorough accounts of the proceedings.

## DOONESBURY



## CONCORD MARINER SG



Concord Mariner. For her: 18 karat gold, black chromium stainless steel, diamonds. Quartz. Water-resistant. An art carried to perfection in Swiss watches.

Concord Watch Company S.A.,  
63, rue Centrale, 2502 Bienne, Switzerland.  
European Watch, Clock and Jewellery Fair Basel 85,  
hall 1, stand 361

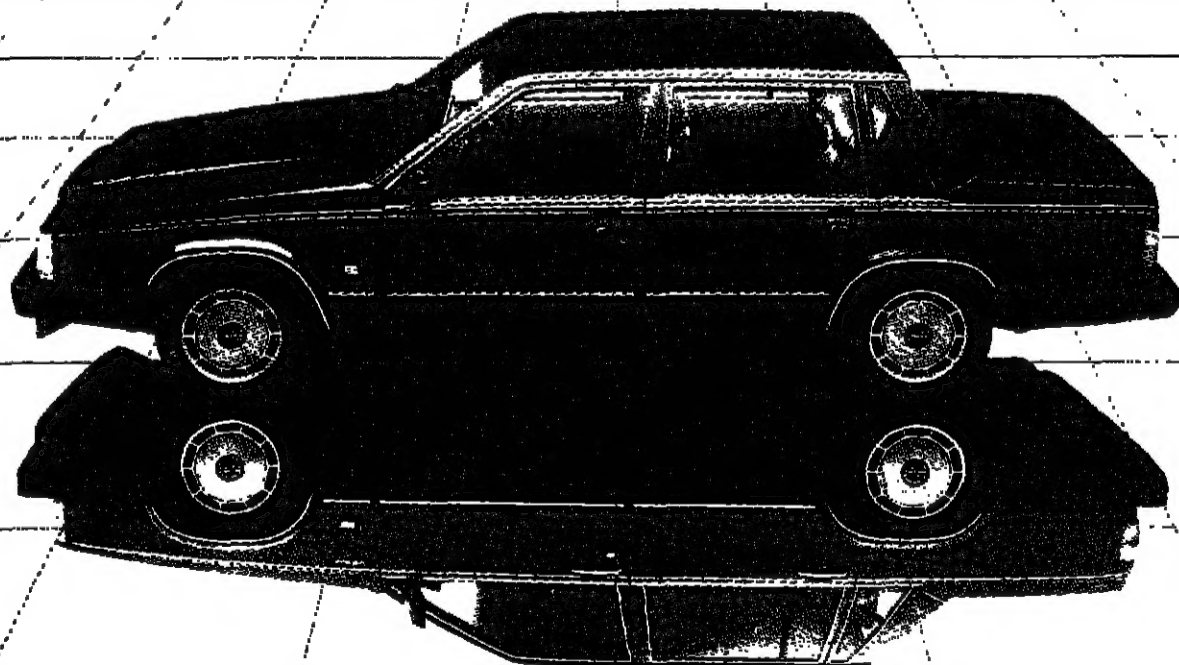
Powerful cars can easily get out of hand on a slippery road. Therefore we have provided our most powerful car with yet another Volvo innovation, an outstanding contribution to motoring safety.

Our new traction control device not only increases safety by keeping your wheels from spinning. It also provides you with optimum performance by giving you only as much power as each road surface allows.

Together with our non-locking ABS brake system, it gives you full control when accelerating or braking, even on slippery roads.

It's a combination unique to the motoring world. Making driving safer — and more efficient. A major breakthrough in the science of automotive safety.

ETC — Electronic Traction Control from Volvo.



**VOLVO**  
Making Cars Safer

ETC: Wheel speed sensors continuously inform the microprocessor control unit about the rotation speed of each road wheel. The control unit compares the speed of the front and rear wheels, when the difference exceeds a certain limit (e.g. as a result of aquaplaning or rear wheel spin) it tells the computerized, electronic fuel injection system to lower engine output until wheel spin is checked. Thus retaining optimum performance on any road surface. The ETC is available on Volvo cars with 2.3 litre, intercooled petrol turbo engines and manual transmission. The car in the picture is the Volvo 740 Turbo. For further information please contact your nearest Volvo dealer or Volvo Car Corporation, Marketing and Sales Division, S-405 08 Gothenburg, Sweden.



# Herald Tribune

Published With The New York Times and The Washington Post

## Gorbachev's Real Agenda

One month into what he must hope will be a 20-year reign as Soviet leader, Mikhail Gorbachev calls Pravda to give it the answers, and questions, of his first "interview" on foreign affairs. He is respectful, even hopeful, about the United States. Better relations are not only necessary but possible. There is nothing "inborn" about superpower confrontations. He looks forward to meeting President Reagan to give their relationship a "serious impulse" on arms control and a range of other issues.

He is also shrewdly seductive to Western Europe. Other countries also count, he insists. America's allies should not take the economic bait of becoming "accomplices" in the dangerous Strategic Defense Initiative. They should help terminate it — note: no longer undo — the deployment of U.S.-built Euromissiles. Toward that end, the Soviet Union will freeze its deployments against Europe for six months.

What a vigorous new performer, say the Kremlinologists. Nothing new, except the White House. A crafty ploy to split the alliance, says the Pentagon. Meaningful offers should be made confidentially at Geneva, says the State Department. These American responses are all true — and overwrought. They neglect the context in which Mr. Gorbachev must operate. They confuse an American election, which concludes a contest for power, with a Soviet accession, which may mark the beginning.

The expectation of a swift revival of Soviet leadership is understandable. Mr. Gorbachev is only 54 and the successor to three ailing septuagenarians. But he has been warily elevated by an aged Politburo. He leads a party and government that Pravda now denounces daily as unimaginative, inefficient, corrupt. He presides over an economy that has stopped growing. He confronts a formidable but hungry military machine, bogged down in Afghanistan and challenged by a U.S. buildup.

Mr. Gorbachev's real agenda is not yet known, or Washington, or even that most inviting tourist lure, Beijing. He is maneuvering to get his close associates onto the Politburo and to build his own power base. Throughout the Soviet Union, party meetings report discussing "personnel policy in the light of the March plenum," the secret gathering that elected Mr. Gorbachev leader. He is building toward a new party congress and a new five-year plan by the end of the year. And until then, he is surely scratching for consensus among the party bosses, the KGB, the military commanders and the budget makers.

Small wonder that in this first pitch to the West he sounded like his predecessors — and their common foreign minister, Andrei Gromyko. Of course Mr. Gorbachev has no new arms control plan or quick path out of Afghanistan. Of course he balances cordiality to President Reagan with a protective wink to Prime Minister Thatcher and Chancellor Kohl.

Is he then saying nothing of interest at all? Not quite. To sharply tuned Soviet ears, he said on his way to the top that the ultimate guarantor of national security was not the military but the Soviet economy. In his first weeks in office he said he wanted a new productivity based on tough discipline in all economic sectors. And now he balances the promise of austerity with a hope for better ties (and trade) with America. It forms a pattern.

Americans cannot yet judge Mr. Gorbachev's strength or policy. But as we are mature, we will reciprocate the cordiality, stop fretting about the fragility of the North Atlantic Treaty Organization and prepare a list of mutual accommodations. By the time he is ready to visit the White House, the Soviet leader should know what policy gifts are most desired and which he might expect in return.

— THE NEW YORK TIMES.

## Insecurity in Securities

Another dealer in U.S. government securities has filed for bankruptcy, sharpening the demands in Congress that these operations be regulated. The most recent firm to fail, Bevil, Bresler and Schulman Asset Management Corp. of Livingston, New Jersey, is smaller than ESM Government Securities, the Florida dealer that folded last month. But both failures will bring substantial losses to financial institutions that were their customers. The government has charged both firms with fraud.

Regulation cannot prevent fraud. Regulation ought not guarantee complete safety to the dealers' customers, for those customers are professional money managers and the government has no obligation to relieve them of the need to be careful about the credit and reliability of the people with whom they deal. For the government to guarantee these dealers would come close to insuring financial speculation. But a modest amount of regulation, beginning with registration of dealers, would be useful in a market that has grown with astounding speed over the past decade.

The government securities dealers used to be a tight little circle of experienced competitors who knew each other well. But the circle has expanded with the rise in the U.S. federal debt, because federal debt — in the form of Treasury securities — is the dealers' stock in trade. The growth of this market is one consequence of President Reagan's budget deficits.

E. Gerald Corrigan, the president of the New York Federal Reserve Bank, recently told a congressional committee that it is not uncommon for more than \$200 billion in government securities to change hands in one day of trading. In comparison, the federal budget is \$2.6 billion a day and the gross national product, the total output of goods and services, is \$10.5 billion a day. As one would expect in a boisterous and rapidly growing market, some securities firms are less sound than others.

The victims of fraud and failure are usually incautious money managers simply looking for the highest possible returns. They know that Treasury securities are risk-free, and they often assume — incorrectly — that the dealers therefore must be risk-free as well. As Mr. Corrigan told Congress, it is the professional money managers' job to know a lot about the firms with which they do business. Much of these dealers' business is borrowing and lending with government securities as collateral. While a high rate offered may be the sign of a desperate dealer sliding into serious trouble. It is up to investors to distinguish between the two. The government is going to have to set some rules for this game. But it has no duty to protect careless players.

— THE WASHINGTON POST.

## Other Opinion

### Balancing the Budget Cuts

President Reagan and Senate Republican leaders have reached significant compromises on the federal budget, but much more give and take will be necessary. No one can quarrel with the intent of the spending reductions — to reduce the federal budget deficit. Legitimate questions can be raised, however, as to whether the elderly, those near the poverty level, and local governments should bear the brunt of increased military spending.

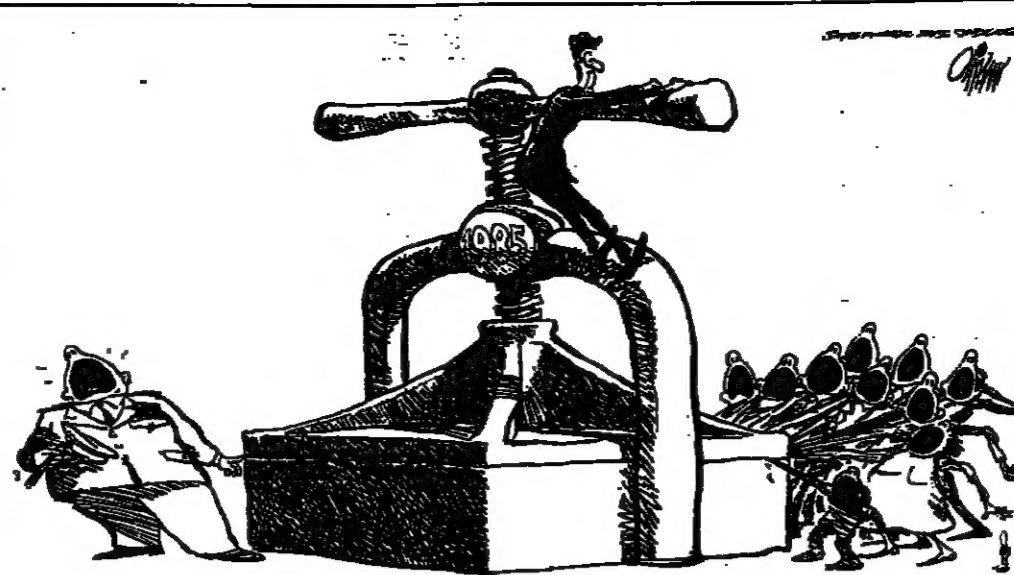
— The Seattle Post-Intelligencer.

### Japan's Promise on Trade

Doubts remain whether the immediate market-opening measures announced Tuesday can really reduce Japan's trade surpluses. Prime Minister Yasuhiro Nakasone stated that "Japan will carry out its responsibilities and roles commensurate to its economic power." But if he does not pin down the outline of his "action program" and put a certain amount of meat on separate measures by the time of the May summit of industrialized nations, he may be strongly criticized by other countries for violating a public promise.

— The Yomiuri Shimbun (Tokyo).

The latest Japanese package is barely enough to rein in the American Congress,



## Squeezing the Budget's Wrong End

By Tom Wicker

NEW YORK — In dealing with Congress, Ronald Reagan is as effective as any president since Franklin Roosevelt — and FDR always had Democratic majorities. Mr. Reagan's "budget compromise" with Senate Republican leaders looks like another nice piece of legislative footwork — although it is medicine for the wrong disease, and its political consequences remain to be seen.

The new Reagan-Republican budget package, which the White House says Mr. Reagan is prepared to fight for, would cut projected spending in fiscal 1986 by \$52 billion; over the next three years, spending would go down by nearly \$300 billion. If all projections hold up, that would reduce the federal deficit to "only" \$99.7 billion in fiscal year 1988.

In that three-year period, however, the Reagan-Republican package would mount a direct assault on middle-class benefit programs. It would restrict cost-of-living benefits for Social Security recipients, violating one of Mr. Reagan's strongest campaign promises; raise the cost of Medicare benefits to the recipients; and cut or eliminate farm price supports, student loans, crop and flood insurance, soil and water conservation programs, National Institute of Health grants, the Export-Import Bank and the Small Business Administration.

The package would attack post-New Deal government across the board. Mass transit aid, urban development grants and other programs of importance to the cities

would be reduced or canceled; Amtrak, rural electrification, the Job Corps general revenue sharing and economic development programs would be killed.

But these deep spending cuts only partly attack the fundamental causes of the deficit. The chief culprit is Mr. Reagan's 1981 tax reduction; Donald Regan, the former Treasury secretary who is now White House chief of staff, has estimated that the tax cut causes \$135 billion of the prospective \$213-billion deficit this year. Yet no increase in revenues is proposed in the Reagan-Republican package.

A second major cause of the deficit is increased military spending, which has risen by 60 percent in the Reagan years, against only a 28-percent increase in nonmilitary spending. But the compromise package is aimed primarily at relatively innocent — and in many cases effective — social programs. It would cut Mr. Reagan's requested 6-percent annual increase for the Pentagon to 3 percent (after inflation) in each of the next three years, saving \$70 billion; but it would cut nonmilitary programs more than twice as much, by \$152 billion.

A third big factor in the deficit is rising entitlements spending. Mr. Reagan and the Republican senators deserve credit for recognizing the difficult fact, even in violation of the president's campaign promises not to cut Social Security. Nevertheless, cost-of-living reductions

for the elderly over a three-year period, coupled with rising charges for Medicare benefits, will be so hard to achieve that they cast doubt on even the president's ability to push through this deficit-reduction package.

It is not just the elderly recipients who will resist; their children fear they may have to make up the difference from their own pockets.

Only at a time of \$200 billion deficits — which, ironically, he did more than anyone to create — would the kind of broad assault on government that Mr. Reagan now projects be remotely possible; and he has shrewdly taken advantage of the opening. Even the budget "compromise" appears to have been calculated; not until enough senators had sworn to cut domestic programs if only Mr. Reagan would agree to cut military spending did he "cave in" — accepting, at that, substantially smaller reductions than the senators wanted.

Clearly, this determined president is gambling that his conservative vision of a government largely removed from a major social role is now more acceptable to the public than the liberal Democratic approach that has dominated the last half-century.

That is a riverboat gamble indeed, since there is little evidence that Americans want to reduce the deficit by cutting programs of benefit to themselves, and since Mr. Reagan must know by now that to tinker with Social Security benefits is to play with political fire.

The New York Times.

## Questions on Past Accords Hang Over Geneva Talks

By John C. Ausland

OSLO — After taking a negative attitude toward arms control for many years, President Reagan has adopted a more positive tone. At the same time, he publicly accuses the Russians of cheating. It is not easy to see how these approaches can be reconciled. In fact, the question of Soviet compliance with past arms control agreements has become a roadblock in the way of progress in Geneva.

Paul Nitze, who is experienced in negotiating with the Russians, stated the Reagan administration's arms control goals in a speech Feb. 20 in Philadelphia. He said the objective during the next 10 years is "a radical reduction of the power of existing and planned offensive nuclear arms," after that would come a transition to

et activity in question has either ceased or additional information has allowed U.S. concern.

But critics of the SALT accords consider such statements whitewashes. Richard Perle, assistant defense secretary for international security policy, told a Senate committee last year that "serious compliance problems have generally not been resolved by the SCC or in any other manner." Those who support this view managed years ago to get Congress to require regular reports from the president about Soviet compliance with arms control pacts.

Although President Reagan's Feb. 1 report contains considerable evidence of questionable Soviet behavior, the significance of the various allegations has to be weighed. The most serious is unquestionably a giant radar installation being built at Krasnoyarsk in Siberia. Mr. Reagan's report flatly maintains that this radar "constitutes a violation of legal obligations under the Anti-Ballistic Missile Treaty."

The Krasnoyarsk radar is only the most advertised of the developments that have convinced the Reagan administration that the Russians may be preparing to renounce the ABM treaty and deploy a nationwide ABM system. It should be no surprise that the Russians accuse the Reagan administration of the same thing — in fact, of seeking to develop a first-strike nuclear capability in the 1980s.

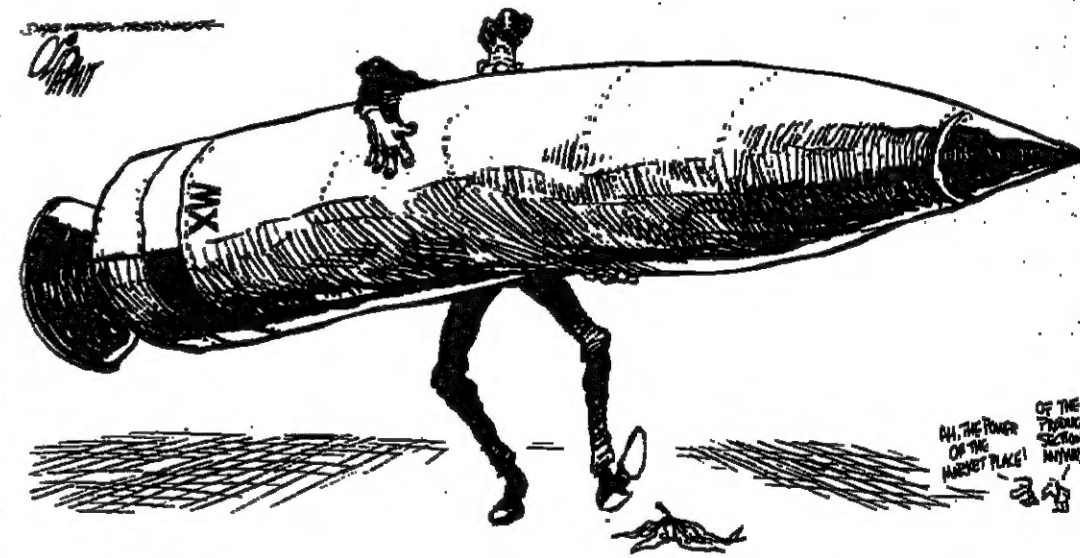
Even critics of the Reagan administration's arms control policy concede that doubts about the Krasnoyarsk radar must be resolved before progress can be made on new agreements. But they say the president is wrong in making public his charge of Soviet cheating.

There can be little doubt that the administration fully intends to do something about what it calls "the erosion in the Anti-Ballistic Missile Treaty regime." Secretary of State George Shultz took the matter up with Foreign Minister Andrei Gromyko in Geneva in January. Mr. Gromyko seems to have just listened. American officials say they have not given up on getting the Russians to "improve their behavior" and thus make progress on new agreements possible. Yet if the Russians are unable to persuade the Americans that the Krasnoyarsk radar is intended for tracking space vehicles — and not incoming missiles — it is hard to imagine them dissuading it.

If compliance issues are not resolved before too long, the stage will be set for a showdown with the Reagan administration regarding arms control. Meanwhile, a large chunk of the money devoted to the president's Strategic Defense Initiative goes to the development of an American land-based system. A test conducted last year demonstrated that a nonnuclear missile could intercept an incoming warhead.

While the space aspects of the SDI are dramatic and important, the key decisions on these will not be made until the 1990s. The way things are going, the question of going ahead with an American land-based ABM is likely to arise sooner.

International Herald Tribune.



"See? I told you this would work — already, Gorbachev wants a summit!"

## Sudan: Symbol of an Indebted Africa

By Henry F. Jackson

NEW YORK — The economic and financial problems that led last week to the overthrow of the Sudanese president, Gaafar Nimeiri, are hardly unique in Africa. Several of America's allies among the continent's 50 independent states are beset by debt problems huge enough to eclipse drought and famine as Africa's biggest disaster.

Long before Mr. Nimeiri embarked on his fateful trip to Washington in search of economic aid, Sudan's debilitating foreign debt made it possible to predict that he would fall unless he received an urgent infusion of American help.

Last week's food riots, which were sparked by the removal of government food subsidies in compliance with International Monetary Fund requirements, were no more than the coup de grace to a regime already undermined by economic failure.

In 1983, Sudanese debt amounted to \$7 billion, or more than seven times the country's export earnings that year; by last week, it had risen to nearly \$10 billion. The percentage of the country's foreign exchange earnings spent merely to service its debt

averaged 80 percent to 90 percent annually — an astronomical sum that by itself wiped out precious hard currency needed to meet the country's full debt obligations. This left no money to promote lagging development programs in a country where deteriorating agriculture may mean starvation for nearly six million people this year.

Meanwhile, Sudan's failure to repay brought a number of reprisals. The Reagan administration froze its aid. The IMF canceled a 1984 standby loan; it also pressed Mr. Nimeiri to pursue several difficult economic reforms, including a cessation of interference in foreign exchange markets. Britain, West Germany and Saudi Arabia cut off their aid in an effort to compel the president to comply with IMF conditions.

Certainly, Mr. Nimeiri brought disaster upon himself by preparing to declare himself president-for-life and repressing opponents of the Islamic sacred law he imposed on the entire Moslem and non-Moslem population of Sudan. But clearly the root of his problem was financial.

Sudan is hardly alone among African countries caught in protracted debt crises, unable to escape bankruptcy without incurring new loans, often at higher interest rates. Very few of these cash-starved states are solvent enough to follow Nigeria in its hard-line refusal to comply with IMF conditions for new credits.

In several of these countries, debt servicing alone gobbles up a third to a half of annual export earnings. In 1981, African countries constituted 20 of the 32 developing countries reported in arrears on external payments; in 1984, they accounted for 10 of the 14 countries whose accounts were submitted to the so-called Paris Club, the international group that renegotiates national public debts.

Unlike many Latin American debtor nations, the Africans owe mainly official debt — to other governments or international financial institutions. But this hardly alleviates their calamity, for governments, like private banks, expect to be repaid. The bulk of Africa's total foreign debt, estimated at \$150 billion in 1983, is owed to Western Europe, which remains the Africans' main trading partner. The United States is, however, also deeply implicated.

This is true not only because of U.S. strategic and political interests in Africa — America needs an African transit point for its Rapid Deployment Force and depends on imports of African minerals — but also because default by Africa's big debtors would severely endanger the global economic system.

What can be done to prevent economic breakdown from provoking political upheaval across the continent? Remedies may include debt rescheduling, a debt moratorium and new credit. The United States should, however, focus on encouraging Africans to become economically self-sufficient, particularly in agriculture. Until they do, they will not remedy their debt crisis or secure the future of the estimated 150 million Africans who are threatened by starvation.

The writer, a professor of black and Puerto Rican studies at Hunter College, is author of "From the Congo to Somalia: U.S. Foreign Policy Toward Africa Since 1945." He contributed this column to The New York Times.

## LETTERS TO THE EDITOR

### Half Right on Healey

Regarding "Party Choice Represents a Break With Old Guard" (March 12):

You were half right when you described Denis Healey as "a former British foreign and defense secretary." While he held the defense portfolio from 1964 to 1970 in the Wilson government, he has not served as foreign secretary, serving instead as shadow foreign secretary.

only when a doctor in attendance told them that any further torture would kill him.

For lawyers throughout the world he is a symbol of the fearless independent judge. It is regrettable that such a man should have become the subject of party conflict.

NIALL MACDERMOT,  
Secretary General,  
International Commission  
of Jurists,  
Geneva.

### The Pentagon Pliers

Regarding the report "Pentagon Pliers Deal: \$90 — but Read the Small Print" (March 23):

Why should we get excited about those \$748 pliers that Boeing sold to the air force? After all, we spend billions and billions on the MX, a completely useless piece of garbage. At least those pliers have some use.

BEN LANE,  
Stockholm.

### Sartizetakis's Ordeal

Regarding the report "A Political Post for an Apolitical Man" (Insights, April 10) by Shirley Christian:

President Sartizetakis proved himself a man of great physical as well as moral courage when arrested in 1971 under the military regime in Greece. He was tortured nearly to the point of death when he refused to sign a false confession. His torturers stopped

**INTERNATIONAL HERALD TRIBUNE**  
JOHN HAY WHITNEY, Chairman 1958-1982

KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER  
Co-Chairmen

LEE W. HUBNER, Publisher  
Executive Editor: RENÉ BONDY  
Editor: ALAIN LECOUR  
Deputy Editor: RICHARD H. MORGAN  
Deputy Editor: STEPHAN W. CONAWAY  
Associate Editor: FRANÇOIS DESMAISONS  
Director of Circulation: ROLF D. KRANEFELD  
Director of Advertising Sales: ROLF D. KRANEFELD

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92200 Neuilly-sur-Seine, France. Telephone: 747-1265. Telex: 612718 (Herald), Cables Herald Paris.

Director of the publication: Walter N. Thayer  
Asia Headquarters: 24-24 Hanyuan Rd., Hong Kong. Tel.: 5-285418. Telex: 61170.  
Managing Dir. U.K.: Robin MacKichan, 63 Long Acre, London WC2E 9LT. Tel.: 636306.  
S.A. au capital de 1,200,000 F. RCS Nanterre B 732021126. Commission Paritaire No. 61337.  
U.S. subscription: \$284 yearly. Second-class postage paid at Long Island City, N.Y. (11101).  
© 1985, International Herald Tribune. All rights reserved.



## Show of Hands Fights Racism Among French

Reuters

PARIS — Half a million French teenagers are sporting a new symbol to fight racial discrimination, a badge that reads "Je touche pas à mon pote" — "Hands off my buddy."

When Harlem Désir, 25, and a group of friends designed the hand-shaped badge last October, they had no idea the symbol would become so popular. But racism and France's four million foreigners have become a focus of national debate, particularly among young people. Throughout France they are pinning the bright badges to their clothes and plastering walls with anti-racist posters supplied by Mr. Désir's Paris-based group, "SOS Racism."

"SOS is the biggest youth movement since the student uprising of May 1968," said Mr. Désir, who is the son of a French woman from Alsace and a French man from the Caribbean territory of Martinique.

"We set it up after a friend was threatened by commuters who claimed he'd stolen a wallet, just because he was black," he said.

At SOS headquarters in one of Paris's dingiest immigrant districts, the telephone hardly stops ringing. Teen-agers call from across the country to report cases of discrimination.

"Skin color was no problem at school or on the street," said Jean-Pierre Chaumont, 22, an SOS organizer. "But the old people now are brainwashing us with their racist hatred."

As in the 1930s, he said, people facing tough times and unemployment are turning on foreign workers as scapegoats.

In recent months there has been a wave of race-related killings in France. A young Algerian tourist was beaten and thrown from a moving train by four French soldiers. A Moroccan was shot to death for talking to a white woman, and an 11-year-old was paralyzed after being struck by a man irritated by noise made by foreign youngsters.

The last few weeks have seen three attacks — the killing of two North African workers and a bomb attack at a Jewish film festival in Paris that injured 26 persons.

The cinema attack strengthened the efforts of some members of the Jewish and Moslem communities to fight discrimination together.

"They know as well as we do that if blacks and



Harlem Désir

Arabs are in the front line, the Jews are in the second," Mr. Désir said.

Church and community leaders also express indignation over the growing violence and harassment by immigrants.

"I fear I am beginning to feel ashamed of my country, where respect for the dignity of others is beginning to fade," said Archbishop Jean-Marie Lustiger, the Roman Catholic primate of Paris.

Political leaders, confronted with the re-emergence of the extreme right in France, have welcomed SOS. They see it as a means to combat the rising fortunes of Jean-Marie Le Pen, whose National Front captured nearly 9 percent of the national vote in local elections last month.

Opening the spring session of the National Assembly last week, Prime Minister Laurent Fabius called on the French people to join the "pacifist struggle" against discrimination.

Mr. Le Pen has joined the battle of the badges. His badge, designed to promote his campaign to "Keep France for the French," reads "Hands Off My People."

"They know as well as we do that if blacks and

## Starving 'Other Half' Is Invisible in Addis Ababa

### Observers of Famine Bringing Prosperity and Progress to Ethiopia's Capital

By Clifford D. May

New York Times Service

ADDIS ABABA, Ethiopia — An official sat in his office at the government's Relief and Rehabilitation Commission recently, answering questions about why, in this time of severe drought and famine, Ethiopia still is selling livestock and other food products to customers abroad.

The official said that none of the goods being exported would be of much use to those in the camps — famished people need enriched grains, not meat and hides — and that Ethiopia had to earn foreign currency to pay for vital imports.

Then, his temper rising, he made a point seldom mentioned in discussions of the country's plight: "Listen, we've got nine million people or so who are starving or close to it. That still leaves more than 30 million Ethiopians who are not starving. Their lives can't just come to a full stop."

There are many people in Ethiopia who not only remain largely unaffected by the famine but also do not even know much about it. Travel is difficult in this mountainous country, and the shocking pictures and descriptions on television and in newspapers in the West do not appear in Marxist-ruled Ethiopia's tightly controlled press.

"Until all the journalists and aid people started coming here, we didn't know what was going on in the north," an Addis Ababa University student said. "I mean, we heard stories, rumors, but we really had no idea it was so bad."

Addis Ababa often seems particularly distant from the famine. There are frequent shortages of bread, salt and other commodities, but that does not make the capital city different from many others across Africa.

Ironically, Addis Ababa has become more cosmopolitan, more lively, and more prosperous since

Ethiopia's agony came to the world's attention.

For months, the city has been overflowing with aid workers from several dozen organizations, photographers, writers, and filmmakers from Iowa to Asia, diplomats and politicians from a score of countries. The grander hotels have long been booked solid. Houses are almost impossible to rent, although new construction is proceeding swiftly. Restaurants tend to be packed. Tennis courts are reserved days in advance.

A fleet of cream-colored government taxis takes the visiting luminaries to meetings, briefings, and ample luncheons and dinners. The cabs tend to avoid the many neighborhoods of concrete shacks with metal roofs rusted to various shades of ochre. They seldom venture down the packed dirt streets heavily traveled by small donkeys and ancient, gnarled women, all bearing oversized burdens.

Instead, the taxis tend to keep to the wide boulevards, extravagantly decorated with heroic, revolutionary monuments, hammer-and-sickle emblems, giant portraits of Marx, Lenin, Engels and Mengistu Haile Mariam, Ethiopia's leader, as well as with banners and billboards inscribed with such slogans as: "Long live proletarian internationalism."

A peculiarly Ethiopian profession is that of the "minder," who accompanies foreigners who want to travel outside the capital. Some of these government employees work hard to be helpful guides and translators. Others see their role as being basically baby-sitter and watchdog. However described, they are now more or less accepted as a fact of life here.

Recently, two British airmen were driving through Addis Ababa and passed one of the ubiquitous posters of Marx, Lenin and Engels.

"Who are those blokes?" one Briton asked the other.

"Marx and Lenin," his companion answered.

"Yeah, O.K., but who's the other one?"

There was a pause. "I don't rightly know," his friend said. "Reckon it must be their minder."

Refugees from the famine have been barred from Addis Ababa or transported to camps beyond the city limits. Nevertheless, there are many beggars in the streets, just as there are in most African cities.

A diplomat with long experience in Ethiopia only half-jokingly advises newcomers that the most effective way to discourage panhandlers is by reciting the phrase: "Nyet, ya Russki," which means, "No, I'm Russian." There are about 3,000 Soviet citizens in Ethiopia, and among the local population they appear to be noted for neither their generosity nor their congeniality.

When one American tried the maneuver, however, it only provoked gales of laughter from the beggar, who was then sheepishly given the handout he had sought.

The capital is not the only place

that can sometimes seem far removed from the famine. Earlier this year, more than 100 priests gathered on a holy day in the northern city of Lalibela, where in the 12th century a king carved 10 churches from a solid-rock mountainside.

Bearded and gaunt, wearing robes of many colors and carrying umbrellas embroidered with gold to represent the heavens, they perched on the high, narrow ledge of a wall surrounding one of the churches.

There, as dawn broke, they swayed and chanted to the music of drums and bells and mournful horns. Watching the ritual, performed faithfully over many generations, it was almost possible to escape the current concerns and immerse oneself instead in the reassuring continuity of Ethiopia's ancient and enduring culture.

Almost but not quite.

The service was abruptly interrupted by a *bhatwe*, a wandering monk and prophet, a holy fool, wearing a ragged coat.

"I have seen on the horizon!" he shouted, his eyes glazed, his arms spread wide. "The rains are coming! Ethiopia has cried enough!"

## Sudan Regime Names Ruling Council, Promises To Examine Islamic Code

The Associated Press

KHARTOUM, Sudan — The new military regime has dismissed the chief justice and formed a council of senior officers to run Sudan until civilian rule is restored.

The regime also accepted a petition from the judges' union seeking a review of "hastily passed laws, indicating it might consider revising the system of Islamic law imposed in 1983 by President Gaafar Nimeiri.

The chief justice, Fuad al-Amin Abdul-Rahman, was known as a strict interpreter of the penal code.

General Nimeiri was overthrown last weekend in a coup led by General Abdul Rahman Swaredah, who had been defense minister and commander in chief of the armed forces.

In a televised speech, General Swaredah said the military council would "conduct the affairs of sovereignty and legislative authority in the country during the transitional period."

He said he would serve as president of the 15-member council and that General Tag el-Din Abdullah Fadl would be his deputy.

## 2 French Opposition Groups Sign Pact

### Main Forces on Right Rule Out Coalitions With Others

The Associated Press

PARIS — France's two main opposition groups signed a unity agreement Wednesday, pledging to oppose any future coalitions with other groups on the left or right and to "govern alone and only alone" should they win next year's parliamentary elections.

The move came as the French cabinet adopted three bills designed to change the current constituency voting system to proportional representation.

The Socialists have been generally expected to lose their majority under the present system. Analysts say that proportional representation could mean that although still in a minority, the Socialists could emerge as the largest single party and a necessary component of any future government.

President François Mitterrand, who names the prime minister, has indicated he plans to complete his term running through 1988. He is a Socialist.

Jacques Chirac, mayor of Paris and leader of the neo-Gaullist Rally for the Republic, or RPR, and Jean Lecanuet, head of the Union

for French Democracy, or UDF, a federation of centrist parties whose chief figure is former President Valéry Giscard d'Estaing, vowed a return to the present single-candidate system if they won power.

The opposition parties rejected "compromises or combinations, whether it be with the extreme right or the Socialist Party," Mr. Lecanuet said.

The statement appeared to rule out possibly crucial support from the extreme-right National Front, which polled over 8 percent in recent nationwide local elections, or a center-left coalition with the Socialists in a fragmented assembly.

Mr. Lecanuet said on television that for the single-round election, the two parties would present either unified or separate lists, according to the situation in each department.

In the current 491-seat assembly, elected in 1981 after the Socialists ended 23 years of conservative rule, RPR holds 80 seats, plus 10 affiliated deputies, and the UDF holds 51, with 12 affiliated.

Last week, the government said it would revise the system for the

March 1986 ballot to proportional representation based on party lists for each department.

The bills that the cabinet approved Wednesday increase the number of deputies by 86, to 577, on a basis of one for every 108,000 inhabitants, with a minimum of two in each department.

A party would have to get at least 5 percent of the vote to win seats. This would exclude currently marginal parties, such as the extreme left and ecologists.



Jean Lecanuet, left, and Jacques Chirac after signing an agreement Wednesday to oppose future political coalitions.

## Israel Allows Reporters to Visit Arab Prison Camp

By Edward Walsh

Washington Post Service

AL FARA, Israeli-Occupied West Bank — More than two months after Israel was accused by an international body of abusing Palestinian prisoners at a detention center here, the Israeli Army opened the facility to foreign journalists this week and denied that the prisoners had been mistreated.

Northeast of Nablus, near the village of Al Farga, the prison is essentially a detention center where prisoners are interrogated before being formally charged in the Israeli military courts that operate in the West Bank.

The facility is clearly overcrowded, with as many as 15 young men sleeping on thin mattresses on the concrete floor of a single cell, but it appeared to be clean and well run.

From the guided tour and brief conversations with some of the inmates, it was impossible to verify the accuracy of the assertions made in January by the International Commission of Jurists.

None of the prisoners who spoke to reporters in the presence of prison officials said he had been beaten or otherwise forced to confess to alleged crimes, as the 56-page report by the International Commission of Jurists asserted was a common practice at Al Farga.

"Here everything is O.K.," said Mohammed Mohammed Blaise, 25, who said he has been charged with writing anti-Israeli slogans on a wall and had refused to confess to the charge. "Most of the prisoners went through interrogation as it should be done. There are no complaints, usually."

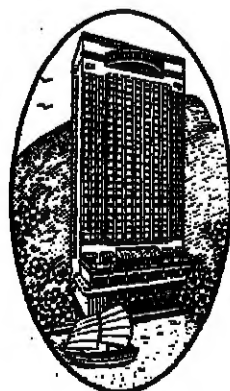
However, Mr. Blaise said he was forced to stand during most of three days of interrogation. Another prisoner said he was forced to stand in a corridor for 12 hours before undergoing a six-hour interrogation. Prison officials denied that any of the inmates were forced to stand that long.

While Israeli Army officers denied mistreating prisoners, they conceded that there were two cases of abuse in the past. It was clear from their comments that the system of interrogating prisoners here improved in January 1984, when a team of army officers who had received special training was sent to the prison. Prior to then, the officials said, the interrogations were conducted by a mix of army personnel and police.

The report by the International Commission of Jurists involves alleged abuses at the prison from 1982, when the facility was opened, to May 1984.

In Hong Kong  
we are in the Central Business District.  
And yet just minutes from Kowloon.  
You should be, too.

HOTEL FURAMA  
INTER-CONTINENTAL



THE ADVANTAGE IS INTER-CONTINENTAL®

INTER-CONTINENTAL HOTELS

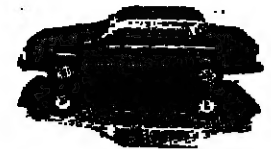
One Connaught Road, 5/25511, Telex: 73081

For reservations call: Tokyo: 2150777,  
Singapore: 2202476, Osaka: 2640666, or call your nearest  
Inter-Continental sales office.

### EXPERIENCE COUNTS! NON-RESIDENTIAL DEGREE PROGRAMS

Professors in any field may apply for special degree programs in Management, Accounting, Finance, Marketing, and other business fields. The programs are designed to provide a comprehensive education in a specific field of study.

CALIFORNIA UNIVERSITY  
for ADVANCED STUDIES  
School of Professional Management  
Office of the Dean, Room 111-1  
100 Gell Drive,  
Novato, CA 94947, (415) 882-1600.



## Volvo 760 GLE. Tax-free.

When going abroad, whether for work or leisure, you may qualify to buy a new car tax-free.

Buying it through Volvo Tourist & Diplomat Sales will save you a lot of bother. You can safely leave all the paperwork to us.

We take care of all the routine work such as insurance and temporary registration plates.

It saves you time, trouble and sometimes money.

The Volvo Tax-Free Handbook contains everything you need to know about buying a new Volvo through Volvo Tourist & Diplomat Sales. It also contains a full colour presentation of the cars and accessories. Get it free by sending in the coupon.

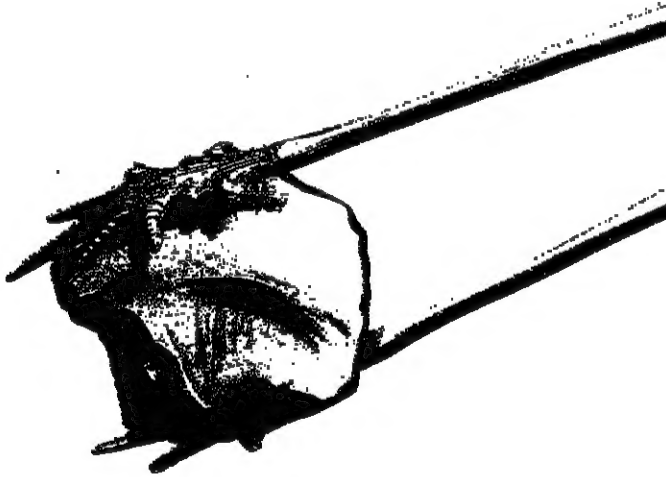
To Volvo Tourist & Diplomat Sales, S-403 08 Göteborg, Sweden. Please send me the Volvo Tax-Free Handbook and more information about: ☐ The Volvo 240 series ☐ The Volvo 340, 360 series ☐ The Volvo 740 series ☐ The Volvo 760 series.

Name \_\_\_\_\_  
Address \_\_\_\_\_  
Zip Code \_\_\_\_\_  
City \_\_\_\_\_  
Country \_\_\_\_\_  
Phone \_\_\_\_\_  
Nationality \_\_\_\_\_

**VOLVO**  
Tourist & Diplomat Sales

A small hotel  
on a little street  
called Rodeo Drive.

A Max Baril Hotel  
**THE BEVERLY RODEO HOTEL**  
360 N. Rodeo Dr., Beverly Hills, CA 90210. Telex No. 691365



J&B Rare.  
The 24 carat Scotch.





## Mexico Balks at Reagan Proposal on Nicaragua

By Robert J. McCartney  
Washington Post Service  
MEXICO CITY — The Mexican government has balked at endorsing President Ronald Reagan's

proposal for peace talks between Nicaragua and anti-government rebels, marking an apparent split between Mexico and Colombia, the two most prominent members of

the Contadora group seeking a negotiated settlement in Central America.

President Belisario Betancur of Colombia praised Mr. Reagan's initiative last week as "constructive" and sent his foreign minister to Cuba and Nicaragua to urge them to take advantage of the U.S. proposal.

But after a telephone call Monday from Mr. Reagan to President Miguel de la Madrid of Mexico, a Mexican communiqué made it clear that Mexico was withholding its support from the U.S. plan on the ground that it did not want to intervene in Nicaragua's internal affairs.

"It was a diplomatic way of saying no," a Mexican official said.

Mr. Reagan proposed a cease-fire between Nicaragua's Sandinist government and anti-government rebels who were financed by the U.S. Central Intelligence Agency

until last summer. Mr. Reagan also proposed that the two sides hold negotiations to be mediated by Roman Catholic Church officials in Nicaragua, and that Nicaragua hold internationally supervised elections.

Mr. Reagan made the proposal in large part to win U.S. congressional support for \$14 million that he wants to provide to the rebels. For the first 60 days of the peace talks, Mr. Reagan said, none of the \$14 million would be used to buy guns, ammunition or other armaments. If the rebels decided after 60 days of talks that they needed more weapons, however, the money would become available for those purposes.

Nicaragua has rejected the proposal.

The deputy foreign minister of Panama, another member of the Contadora group seeking a peace settlement, signaled that his country was lining up with the Mexicans.

The fourth Contadora member, Venezuela, said officially that the Reagan proposal should be "carefully studied and analyzed" and called for the Contadora group to take "a united position" on it.

A Venezuelan source in New York, where President Jaime Lusinchi has been meeting with bankers, said that Mr. Lusinchi had canceled all of his "media events" Tuesday because Venezuela's position on the Reagan proposal had not been determined. The source said Mr. Reagan called Mr. Lusinchi on Monday to request his support.

"Venezuela is going to see how we can help Mr. Reagan, but we don't want to do it alone," the source said, adding that he could see the truth in the remark of the Reverend Miguel d'Escoto Brockman, Nicaragua's foreign minister, that the Reagan proposal means "Drop dead, or we'll kill you."

The Contadora group, which has been trying to negotiate a Central American settlement for more than two years, has run afoul of U.S. policy in the past. Last autumn Washington pressured its Central American allies to reject a proposed regional treaty drawn up by the four-nation group because the United States felt the pact favored Nicaragua.

The rewriting of that treaty has barely begun, although the Contadora group and the five Central American countries plan to meet Thursday and Friday in Panama to continue the effort.

Robert C. McFarlane, who is Mr. Reagan's national security adviser, said Friday that Mr. Reagan's proposal had the backing of Colombia, Venezuela and Panama but not of Mexico.

The Mexican communiqué, issued by Mr. de la Madrid's office, broadly supported the goal of a negotiated settlement.

## 20 Salvadoran Villagers Are Killed by Guerrillas Who Dressed as Soldiers

The Associated Press  
SANTA CRUZ LOMA, El Salvador — Guerrillas dressed as soldiers attacked a cluster of peasant huts here this week and killed at least 20 of the villagers, residents said. Some of the victims were shot, and some had their throats slashed, the villagers said.

At least seven of the dead were identified Tuesday as off-duty civil defense troops who were dragged from their homes, they said.

Two children and a pregnant woman were among five people killed when a mortar shell struck their house, said Jesus Valles, the commander of the volunteer civil defense forces in Santa Cruz Loma, a cluster of huts 25 miles (40 kilometers) southeast of San Salvador.

Villagers gathered at the house on Tuesday and stared at the bodies. Some people wept and one visitor fingered a rosary. Straw crucifixes on the walls of the one-room cottage, now a rubble of adobe and brick, were not damaged.

The house once had been civil defense headquarters and was used as a gun repair shop. Roberto Dominguez, 27, said he was on patrol when his house was shelled and

machine-gunned and his family inside was killed.

He was the former head of the civil defense in the town and he said the rebels had passed the word earlier that they were going to kill him and his family.

While bodies still lay on the smoldering rubble, the survivors recounted how 300 to 500 leftist rebels approached the village Monday evening and left in the dawn light on Tuesday.

"They arrived on foot and we saw them and shot first," said Mr. Valles. "They shouted us not to shoot, that they were on our side. They did it to confuse us and we stopped shooting. We thought they were part of an anti-insurgency unit. When they got closer we saw they were not soldiers."

By then it was too late to stop them, he said.

On Tuesday afternoon a truck loaded with some of the bodies rumbled down the dusty road, stopping to pick up more bodies along the roadside.

In the nearby town of Santiago Nonualco, relatives identified the bodies, a judge recorded their names and workers slipped them into plain coffins lined with sacks used to hold the sugar harvest.

Curious children lined the rack of the old truck as the adults went about their grim business. When the coffins ran out, they sent word to another town to send more.

"I gave my blessing to all of them, that was all I could do," said a priest who would only give his name as Father Octavio. He said he had served the village for 35 years.

"I know of at least 20 dead and there is talk of more," the priest said, "but I don't know any more about them."

An army communiqué later said that 25 were killed: 15 members of the civil defense force, three other men, three women and four children.

Some residents complained bitterly that no army troops were sent to help.

It was not immediately clear why the guerrillas attacked the village, which residents said had previously been spared from rebel raids.

The guerrillas have been battling Salvadoran troops for more than five years.

### Danes Receive East German

The Associated Press  
COPENHAGEN — Foreign Minister Oskar Fischer of East Germany began a three-day official visit here Wednesday.



Relatives identifying the dead after a guerrilla attack.

## Brazilian Leader in 'Pre-Coma' After Surgery

United Press International

SAO PAULO — President-elect Tancredo Neves of Brazil, 75, went into a state of "pre-coma" during an abnormal reaction to his sixth operation in four weeks but was in stable condition Wednesday, doctors said.

The operation, a relatively simple tracheotomy, was performed Tuesday under a local anesthetic to aid Mr. Neves's breathing. Doctors

said he had suffered a violent reaction to the anesthetic several hours later.

The president-elect already had undergone five abdominal operations, which have delayed his inauguration as Brazil's first civilian leader in 21 years. Vice President José Sarney has been serving as acting president.

Mr. Neves first underwent sur-

gery March 15 for an inflamed colon only hours before he was to have taken office. After each of Mr. Neves' first three operations, doctors issued optimistic reports but later rushed him back into surgery to overcome new complications.

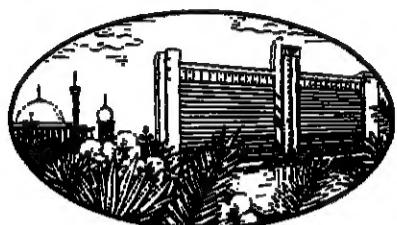
He was reported near death Thursday when the fifth operation was performed to remove an infection spreading through his abdomen.



A woman weeps outside the hospital where Tancredo Neves underwent his sixth operation.

In Jakarta  
there's a superb hotel  
that is more like a  
luxurious country club.

HOTEL BOROBUDUR  
INTER-CONTINENTAL



THE ADVANTAGE IS INTER-CONTINENTAL®

INTER-CONTINENTAL HOTELS

Jalan Lapangan Banteng Selatan, (P.O. Box 329), 370108, Telex: 44156  
For reservations call: Hong Kong: 5-8440311/3,  
Tokyo: 2150777, Singapore: 2202476, Osaka: 2640666,  
or call your nearest Inter-Continental sales office.

## HIGH EFFICIENCY PARIS-CHARLES-DE-GAULLE 2

AIR FRANCE WAS INSTRUMENTAL IN THE CONCEPTION AND CONSTRUCTION OF CHARLES-DE-GAULLE 2. IT IS ONE OF THE MOST MODERN AND EFFICIENT AIRPORTS IN THE WORLD. FOR INSTANCE, YOU NEED ONLY 45 MINUTES TO CONNECT FROM ONE FLIGHT TO ANOTHER. THAT'S THE BEST PERFORMANCE IN EUROPE. AND MAKES CHARLES-DE-GAULLE 2 A VERY SPECIAL GATEWAY TO THE WORLD. IT'S JUST ANOTHER ADVANTAGE OF FLYING AIR FRANCE.

AIR FRANCE  
WE'RE AIMING EVEN HIGHER

rown I  
Karal  
urkey's  
upplyin  
installin  
ntire e  
quipm

later a

completed, the A  
power plant in Turk  
an installed capac  
2000 kilowatts. Equ  
Brown Boveri gene  
ater with BBC tran  
switchgear and the  
system, it will b  
ways largest power  
and facility.

Releasing the River E  
the Ataturk dam will c  
having a total volu  
500 million cubic me  
The Notonlyto generat  
also to irrigate a  
and, region of Ar

gain, Brown Bove  
ing a major role i







NYSE Most Actives				
Vol.	High	Low	Last	Chg.
Univac	187 1/2	187 1/2	187 1/2	+ 1/2
Univac	187 1/2	187 1/2	187 1/2	+ 1/2
Univac	187 1/2	187 1/2	187 1/2	+ 1/2
Univac	187 1/2	187 1/2	187 1/2	+ 1/2
Univac	187 1/2	187 1/2	187 1/2	+ 1/2
Univac	187 1/2	187 1/2	187 1/2	+ 1/2
Univac	187 1/2	187 1/2	187 1/2	+ 1/2
Univac	187 1/2	187 1/2	187 1/2	+ 1/2
Univac	187 1/2	187 1/2	187 1/2	+ 1/2
Univac	187 1/2	187 1/2	187 1/2	+ 1/2

Dow Jones Averages				
Open	High	Low	Close	Prev. P.M.
1252.21	1252.21	1252.21	1252.21	1252.21
1252.21	1252.21	1252.21	1252.21	1252.21
1252.21	1252.21	1252.21	1252.21	1252.21
1252.21	1252.21	1252.21	1252.21	1252.21
1252.21	1252.21	1252.21	1252.21	1252.21
1252.21	1252.21	1252.21	1252.21	1252.21
1252.21	1252.21	1252.21	1252.21	1252.21
1252.21	1252.21	1252.21	1252.21	1252.21
1252.21	1252.21	1252.21	1252.21	1252.21

NYSE Index				
High	Low	Close	Prev. P.M.	Chg.
104.10	104.10	104.10	104.10	+ .78
104.10	104.10	104.10	104.10	+ .78
104.10	104.10	104.10	104.10	+ .78
104.10	104.10	104.10	104.10	+ .78
104.10	104.10	104.10	104.10	+ .78
104.10	104.10	104.10	104.10	+ .78
104.10	104.10	104.10	104.10	+ .78
104.10	104.10	104.10	104.10	+ .78
104.10	104.10	104.10	104.10	+ .78

Wednesday's  
**NYSE**  
3 p.m.

Vol. of 3 P.M. 92,811,800  
Prev. consolidated close 18,475,410

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.  
Via The Associated Press

Previous AMEX Diaries				
Advanced	Declined	Unchanged	Total Issues	Volume
127	127	127	127	127
127	127	127	127	127
127	127	127	127	127
127	127	127	127	127
127	127	127	127	127
127	127	127	127	127
127	127	127	127	127
127	127	127	127	127
127	127	127	127	127

NASDAQ Index				
Week	Year	1984	1985	1986
254.1	254.1	254.1	254.1	254.1
254.1	254.1	254.1	254.1	254.1
254.1	254.1	254.1	254.1	254.1
254.1	254.1	254.1	254.1	254.1
254.1	254.1	254.1	254.1	254.1
254.1	254.1	254.1	254.1	254.1
254.1	254.1	254.1	254.1	254.1
254.1	254.1	254.1	254.1	254.1
254.1	254.1	254.1	254.1	254.1

AMEX Most Actives				
Vol.	High	Low	Last	Chg.
100	100	100	100	+ 1/2
100	100	100	100	+ 1/2
100	100	100	100	+ 1/2
100	100	100	100	+ 1/2
100	100	100	100	+ 1/2
100	100	100	100	+ 1/2
100	100	100	100	+ 1/2
100	100	100	100	+ 1/2
100	100	100	100	+ 1/2
100	100	100	100	+ 1/2

12 Month High	Low	Stock	Div.	Yld.	PE	1984 High	Low	3 P.M. Close	Chg.
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2

## Prices Lifted by Interest Hopes

**NEW YORK** — Prices on the New York Stock Exchange staged a broad advance Wednesday, getting a lift from hopes for lower interest rates.

The Dow Jones average of 30 industrials rose 8.84 to 1,262.70 two hours before the close on Wall Street.

The NYSE's composite index rose .78 to 104.10.

Although prices in tables on these pages are from 3 P.M. in New York, for time reasons, this article is based on the market at 2 P.M.

104.10. Volume on the Big Board came to 76.50 million shares with two hours to go.

Gainers outnumbered losers by more than 2-to-1 among NYSE-listed issues.

Interest rates fell in the bond market Tuesday and Wednesday after Paul A. Volcker, chairman of the Federal Reserve Board, expressed some misgivings about the economic outlook.

At a conference of the Export-Import Bank on Tuesday, Mr. Volcker said that overall growth might falter because of problems afflicting the manufacturing, mining and farming sectors of the economy.

Analysts said that his comments did not have upbeat connotations for the near-term outlook for corporate profits.

But they added that traders interpreted his remarks as a signal that the Fed was likely to follow a credit policy that encouraged lower interest rates.

At midday, Univac led the active list up 1/4 at 187 1/2. A New York financier, Carl C. Icahn, said he planned an \$18-a-share offer for control of the company.

## Irving Reports Rise in Net

**NEW YORK** — Irving Bank Corp. reported Wednesday that first-quarter net was \$27.3 million, a 2.2-percent increase from \$26.7 million in the corresponding 1984 period.

Irving said the improved earnings mainly reflected higher net interest income, on a fully taxable basis, and higher non-interest income.

Those favorable factors were partly offset by higher non-interest expenses.

Net-interest income on a fully taxable basis increased 7.3 percent to \$123.9 million in the first quarter of 1984.

The increase was due primarily to a widening in the net interest-rate spread and a higher average volume of interest-earning assets, mainly loans and investment securities.

There was an 18-basis-point increase in the net interest-rate spread to 3.20 percent, primarily because of a 22-basis-point widening in the purchased-funds margin and an increased volume of net non-interest-bearing funds. (There are 100 basis points in one percentage point.)

12 Month High	Low	Stock	Div.	Yld.	PE	1984 High	Low	3 P.M. Close	Chg.
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2

12 Month High	Low	Stock	Div.	Yld.	PE	1984 High	Low	3 P.M. Close	Chg.
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2

**Chopard**  
GENEVE

LA COLLECTION SPORTIVE

Available at leading jewellers worldwide  
Chopard & Cie S.A., 8, rue de Vevey - Geneve CH-1202 17

## To Our Readers

Because of the seven-hour time difference between New York and Paris until April 27, the New York and American Stock Exchange tables in this edition contain information from 3 P.M. New York time. Over-the-counter stock prices are from 2 P.M. New York time. Canadian stock prices, U.S. futures prices and some other items are from the previous day's trading.

We regret the inconvenience, which is necessary to meet distribution requirements. All editions will again carry closing prices and indexes after April 27, when Daylight Savings Time begins in the United States.

12 Month High	Low	Stock	Div.	Yld.	PE	1984 High	Low	3 P.M. Close	Chg.
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2

12 Month High	Low	Stock	Div.	Yld.	PE	1984 High	Low	3 P.M. Close	Chg.
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2

12 Month High	Low	Stock	Div.	Yld.	PE	1984 High	Low	3 P.M. Close	Chg.
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2
100	100	100	100	100	100	100	100	100	+ 1/2

(Continued on Page 10)











## BUSINESS ROUNDUP

## Daimler-Dornier Talks Are Said to Intensify

By Warren Getler  
International Herald Tribune

FRANKFURT — Talks concerning the acquisition of a majority stake in Dornier GmbH by Daimler-Benz AG have reached an intensive phase, Daimler officials said Wednesday.

But Daimler officials, who asked not to be identified, cautioned that although they are "hopeful" about gaining majority control of the family-owned Dornier group, they do not foresee a decision by Dornier's six family shareholders before next month's end.

Dornier's shareholders were unavailable for comment Wednesday. Sources at Daimler's headquarters in Stuttgart said several months of "sensitive" discussions between the automaker and Dornier's owners have yet to produce a definitive answer from the shareholders whether the group is prepared to sell any portion of its stake.

A majority stake in Dornier, West Germany's second-largest aviation and aerospace group, which is expected to report 1984 sales of around 16 billion Deutsche marks (\$507 million), could fetch up to \$500 million DM from prospective buyers, analysts said.

Sensitivity about the talks stems from what is understood to be a family rift over the direction of Dornier between a group of share-

holders led by Claudius Dornier, 70, and another led by his step-son, Justus Dornier, 48.

Claudius Dornier has recently indicated his desire to sell his 12.9-percent stake.

Observers speculate that Claudius Dornier's brothers, Peter and Silvius, with 8.2-percent and 12.8-percent stakes, may also be interested in selling their shares to Daimler. The fate of the 27.8-percent share of Anna Dornier, the widow of company's founder, Claude Dornier, who died last year, remains clouded.

A takeover of Dornier, based in Friedrichshafen, would strongly underpin Daimler's efforts to secure a foothold in aerodynamics, aviation and various high-technology fields, Daimler sources said. Such diversification, officials said, would help offset anticipated further stagnation in the European heavy-truck market, an area in which Daimler is dominant.

In February, Daimler announced that it had acquired full control of MTU Motoren und Turbinen-Union München GmbH, a maker of airplane and automotive engines with annual sales of 2.2 billion DM.

Daimler previously had held a 50-percent stake in MTU, as did Maschinenfabrik Augsburg-Nürnberg AG. Analysts estimate Daimler paid MAN 500 million DM for its stake.

The government of Baden-Württemberg, the state in which both Daimler-Benz and Dornier are based, has said it hopes to see a "Baden-Württemberg solution" to any new configuration in Dornier's ownership.

The Bavarian premier, Franz Josef Strauss, is understood to want Dornier to continue its existing operations in Munich and to expand them in Bavaria.

## ITT to Buy NTT Telephones

RALEIGH, North Carolina — ITT Corp. said Wednesday that its business and consumer communications division ordered 10,000 telephones from Nippon Telegraph & Telephone Corp. of Japan. Delivery of the telephones will be completed by the end of April. No price was disclosed.

ADVERTISEMENT  
INTERNATIONAL FUNDS

Quotations Supplied by Funds Listed

10 April 1985

The net asset value quotations shown below are supplied by the funds listed with the exception of funds which are based on share prices. The following symbols indicate the type of fund: (d) = domestic; (f) = foreign; (i) = international; (m) = money market; (b) = bond; (e) = equity; (c) = convertible; (h) = hedge; (l) = leveraged; (s) = satellite; (t) = tactical; (v) = variable; (w) = world; (x) = other.

ALMAL MANAGEMENT  
(d) ALMAL FUND S.A. \$15.44

BANK JULIUS BAER & CO. LTD.  
(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

(d) BJSF FUND \$15.44

Mohawk Data,  
Datapoint Corp.  
To Merge Units

New York Times Service

NEW YORK — Datapoint Corp. and Mohawk Data Sciences Corp. said they would combine their computer services businesses in a two-step transaction. They declined to put a value on the accord.

The two companies said Datapoint would spin off its service business to shareholders on a tax-free basis, creating a new, publicly traded subsidiary. The subsidiary would then buy Mohawk's customer-service division for an undisclosed price.

The transaction would bring together two companies controlled by Asher B. Edelman, the New York financier. Both companies have encountered financial difficulties recently.

If approved by both boards, the transaction would create the largest third-party service concern in the computer industry, with revenues of more than \$200 million, according to Edward P. Gistano, Datapoint's president and chief executive.

It would also allow the cash-hungry Mohawk to pay a substantial portion of its \$140-million bank debt, according to Francis P. Lucier, Mohawk's chairman.

Unocal Shares Tumble  
On Takeover Rumors

By Robert J. Cole

New York Times Service

NEW YORK — Shares of Unocal Corp. slid \$1.75 Tuesday, to \$48, in heavy trading amid Wall Street rumors that the company might try to buy another major oil producer to frustrate a takeover attempt by a group led by T. Boone Pickens, the chairman of Mesa Petroleum Corp.

The company most widely mentioned as Unocal's possible target is Diamond Shamrock Corp. of Dallas. Diamond Shamrock's stock climbed \$1.25 on the rumor, to \$20.50, also in heavy trading.

Only three months ago, Diamond Shamrock broke off a \$3.3-billion merger transaction with Occidental Petroleum Corp., but little doubt that it was still open to other merger talks. Based on the Occidental talks, Diamond Shamrock appeared to be on the block for about \$25 a share.

Neither Unocal nor Diamond Shamrock would comment on Tuesday's market rumors, but analysts said that nothing should be read into the silence. Such rumors are commonplace on Wall Street, and companies rarely comment on them.

Mr. Pickens, who heads a group that owns 13.6 percent of Unocal stock, said Sunday that he would pay \$54 a share, or \$3.46 billion, for enough stock to give him 51-percent control of the company — if he could raise the money.

Tuesday, however, Wall Street traders began lightening their stakes in Unocal over fears that Mr. Pickens might have difficulty raising money for the takeover or might even resort to "greenmail" — that is, sell his huge stake in the company back to Unocal.

A key ingredient in Wall Street fears, traders said, is the possibility that Unocal might slow Mr. Pickens by buying another company.

As analyzed by traders with millions of dollars at stake, if Unocal were to issue, say, 75 million shares to buy Diamond Shamrock, Mr. Pickens's cost to buy Unocal would jump at least \$4 billion. Such an increase in Unocal's price would probably put the company beyond Mr. Pickens's reach, analysts say.

Wall Street analysts estimated that Unocal's stock price would drop to \$38 or \$40 if Mr. Pickens withdrew or was defeated.

Mr. Pickens could not be reached for comment but a close associate, David H. Batchelder, voiced confidence that the funds would be raised. He said investors would commit the first half of the \$3 billion being sought by the Wall Street house of Drexel Burnham Lambert Inc. by Friday, collecting \$11.25 million in commitment fees for the money.

In a separate development, Unocal said in response to questions that Goldman, Sachs & Co. and Dillon, Read & Co. had been retained as financial advisers.

J.P. Morgan Net  
Increased 12.7%  
In First Quarter

United Press International

NEW YORK — J.P. Morgan & Co., parent of Morgan Guaranty Trust Co., the fifth-largest bank in the United States, said Wednesday that first-quarter earnings rose 12.7 percent from a year earlier, to \$164.6 million, or \$1.83 a share, from \$146 million, or \$1.66 a share.

Lewis T. Preston, chairman, told shareholders at the corporation's annual meeting that Morgan increased its primary capital by \$500 million in the past 12 months, to \$4.7 billion.

Much of Morgan's earnings increase came from higher net interest earnings and from a lower provision for credit losses that were offset by lower earnings in most non-interest sectors, he said. Net interest income rose to \$428.5 million from \$372 million in the 1984 first quarter.

Provision for possible credit losses was reduced to \$30 million from \$45 million a year ago. The total allowance for possible credit losses stood at \$598 million on March 31, compared with \$509 million a year earlier.

Non-accrual loans, those on which little or no interest is being paid, rose to \$870 million from \$604 million a year ago.

Chase Manhattan to Buy  
2 Ohio Savings Banks

Compiled by Our Staff From Dispatches

COLUMBUS, Ohio — Chase Manhattan Corp. announced Wednesday that it will acquire the Mentor Savings Bank of Mentor, Ohio, and the Federated Savings Bank of Cincinnati for a combined price of \$7.4 million.

Arthur F. Ryan, an executive vice president of Chase, said his institution will pay \$6.8 million for the Mentor thrift and \$600,000 for the Cincinnati savings and loan. He said Chase has received state approval to acquire the two institutions and has filed applications with the Federal Reserve Board and the Federal Savings and Loan Insurance Corp. for final approval.

Mentor Savings Bank has assets of \$114 million and 25,000 accounts. Federated reported assets of \$53 million and 7,500 accounts. Mr. Ryan said Chase will seek state legislation to permit it to operate as a commercial bank in Ohio. In that case, he said, the two thrift units would be merged under the Chase umbrella.

"We see these acquisitions as a first step in helping resolve the savings-and-loan problem in Ohio," Mr. Ryan said. "We believe we can offer competitive rates."

In other developments, the president of the collapsed Home State Savings Bank and three other top officers have been dismissed by the state-appointed conservator who has taken over operation of the closed savings and loan.

John Hartman, one of the state-hired attorneys representing conservator Arlo Smith, said Tuesday that the executives were dismissed before Mr. Smith filed a lawsuit against Home State's owners and executives. He said the firing was because of the conservator's allegations against them.

"I think when you're going to allege that they've done things wrong and cost the institution \$140 million, it's inconsistent to keep them on the payroll," Mr. Hartman said.

The conservator has charged that negligence or improper actions by management led to the March 8 collapse of Home State, a Cincinnati-based thrift with 33 offices in southern and central Ohio.

Chemical New York Corp., parent of Chemical Bank, has signed a letter of intent to acquire Home State for undisclosed terms. State officials have said the sale could be completed this week.

At its meeting Tuesday, the board also authorized the Ohio Department of Commerce to hire the investment banking firm of Kidder, Peabody & Co. for \$200,000, plus up to \$500,000 in expenses, to advise on terms of the sale of Home State, perhaps later this week, to Chemical New York Corp.

Thirty-nine state-chartered savings and loans have reopened since Governor Richard F. Celeste closed 70 on March 15. (UPI, AP)

Gold Options (updates in \$/oz.)				
Month	May	Aug	Nov	Dec
300	14.50-14.55	14.50-14.55	14.50-14.55	14.50-14.55
350	14.50-14.55	14.50-14.55	14.50-14.55	14.50-14.55
400	14.50-14.55	14.50-14.55	14.50-14.55	14.50-14.55
450	14.50-14.55	14.50-14.55	14.50-14.55	14.50-14.55
500	14.50-14.55	14.50-14.55	14.50-14.55	14.50-14.55
550	14.50-14.55	14.50-14.55	14.50-14.55	14.50-14.55
600	14.50-14.55	14.50-14.55	14.50-14.55	14.50-14.55
650	14.50-14.55	14.50-14.55	14.50-14.55	14.50-14.55
700	14.50-14.55	14.50-14.55	14.50-14.55	14.50-14.55
750	14.50-14.55	14.50-14.55	14.50-14.55	14.50-14.55
800	14.50-14.55	14.50-14.55	14.50-14.55	14.50-14.55
850	14.50-14.55	14.50-14.55	14.50-14.55	14.50-14.55
900	14.50-14.55	14.50-14.55	14.50-14.55	14.50-14.55
950	14.50-14.55	14.50-14.55	14.50-14.55	14.50-14.55
1000	14.50-14.55	14.50-14.55	14.50-14.55	14.50-14.55

Valued White Wolf S.A.  
1, Quai de la Gare  
1201 Geneva 1, Switzerland  
Tel. 31 02 51 - Telex 28305

Weekly net asset value

Tokyo Pacific Holdings N.V.

on April 8, 1985: U.S. \$138.46.

Listed on the Amsterdam Stock Exchange

Information: Pierson, Hekking &amp; Pierson N.V.

Herengracht 214, 1016 BS Amsterdam.

FCA Rejects Offer  
By Former Chief

United Press International

LOS ANGELES — Financial Corp. of America has rejected an offer by its former chairman, Charles W. Knapp, to buy more than \$1 billion in problem loans written while he headed the firm.

In a letter Tuesday, the FCA board made it clear that its current management was not interested in doing further business with Mr. Knapp. The board removed Mr. Knapp from his job with the company last summer during a \$6.8-billion run on its subsidiary, American Savings & Loan Association.

Mr. Knapp's group, Trafalgar Holdings Ltd., said it was "disappointed that the company considers us adversaries and has summarily rejected the offer, particularly since there appears to be no alternative plan of disposition."

## Goldsmith Bids for 70% of Zellerbach

New York Times Service

NEW YORK — Sir James Goldsmith, the British industrialist, on Wednesday made a formal offer for as much as 70 percent of Crown Zellerbach Corp. at \$42.50 a share, if the company withdraws a complex anti-takeover provision.

The offer caps a four-month-long campaign by Sir James and Crown Zellerbach's board of directors was scheduled to meet.

The proposal states that if the anti-takeover provisions were not revoked, Sir James still would seek to amass stock in the paper and forest products company, but only if a minimum of 51 percent of the stock is tendered.

Under that circumstance, the offer said, Sir James would not be bound by the \$42.50-a-share price or other terms of the offer and he would not commit himself to further purchases.

This announcement is neither an offer to sell nor a solicitation of an offer to buy these securities. The offer is made only by the Prospectus.

\$65,000,000

Telepictures  
CORPORATION

8 3/4% Convertible Subordinated Debentures Due April 1, 2005

(Interest Payable April 1 and October 1)

The Debentures are convertible at any time prior to maturity, unless previously redeemed, into shares of Common Stock of the Company at a conversion price of \$27.75 a share, subject to adjustment in certain circumstances.

Price 100%

Copies of the Prospectus may be obtained in any State only from such of the several Underwriters, including the undersigned, as may lawfully offer the securities in such State.

Shearson Lehman Brothers Inc.

Allen &amp; Company Incorporated

Furman Selz Mager Dietz &amp; Birney

Bear, Stearns & Co. The First Boston Corporation Donaldson, Lufkin & Jenrette  
Drexel Burnham Lambert Goldman, Sachs & Co. E. F. Hutton & Company Inc.  
Lazard Frères & Co. Merrill Lynch Capital Markets Morgan Stanley & Co.  
Prudential-Bache Securities L. F. Rothschild, Unterberg, Towbin  
Salomon Brothers Inc. Smith Barney, Harris Upham & Co.  
A. G. Edwards & Sons, Inc. Thomson McKinnon Securities Inc.  
Advest, Inc. Dain Bosworth Gruntal & Co., Incorporated Herzfeld & Stern Inc.  
Janney Montgomery Scott Inc. Ladenburg, Thalmann & Co. Inc.  
McDonald & Company Moseley, Hallgarten, Estabrook & Weeden Inc.  
Piper, Jaffray & Hopwood Prescott, Ball & Turben, Inc.  
The Robinson-Humphrey Company, Inc. Wheat, First Securities, Inc.

April 3, 1985

## COMPANY NOTES

New York Times Service

Armo Inc., a financially troubled steelmaker, said it has reached an agreement with its principal bank lenders that extends its debt obligations and provides it with \$300 million of new credit. The agreement covers \$485 million of Armo's outstanding debt, the company said.

CBS Inc., in a federal court suit, accused Ivan F. Boesky of making false and misleading statements to the Securities and Exchange Commission when he acquired an 8.7-percent stake in the company. The suit asks the court to order the financier to divest his CBS stock.

Chase Manhattan Corp.'s Spanish unit has an agreement in principle to buy Spain's Banco de Finanzas, banking sources said.

Computer Corp. said it had laid off 950 employees, or 14 percent of its work force, because of a slowdown in sales. The Massachusetts-based company also said that 30 top officers would take "significant" pay cuts.

Essilor International S.A., the optical-glass maker, said final results for 1984 were unchanged from the preliminary report. The company had reported that consolidated revenue rose 16.8 percent from a year earlier, to 2.87 billion francs (about \$287 million).

General Motors Corp. said it would close its engine-block foundry in Pontiac, Michigan, in a move that will displace about 2,000 workers. Last year, GM closed a foundry in Tonawanda, New York. Gulfstream Mills said it has acquired TRT Corp. from Toyobo

Co. of Japan for undisclosed terms. TRT converts woven goods and dyes, finishes and prints fabrics. Kowloon Motor Bus Co. plans a one-for-eight rights issue at 5 Hong Kong dollars (64 cents) apiece to raise about \$116.5 million dollars, a company spokesman said.

Mitsubishi Heavy Industries said it, Mitsubishi Corp. and Cerberus S.A. de CV, a Mexican boiler maker, have jointly won a 22-billion-yen (\$86.5-million) order for two boilers from Comisión Federal de Electricidad of Mexico.

Sharp Corp. said it and RCA Corp. have signed an agreement to set up a joint company to develop, design, produce and market complementary metal-oxide very large integration-type semiconductors in the United States.

Sperry Corp. said it has concluded an agreement with the Queensland, Australia department of industrial development under which Sperry will make personal computers at a new plant in Brisbane. The company said the plant is expected to be in operation by early 1986.

Toshiba Corp. said it and United Technologies Corp. have set up a joint company to develop, produce and market fuel-cell power plants. Fuel-cell power plants convert the chemical energy of a fuel directly into electrical energy.

United Press International said it has notified a New York brokerage firm to cease distribution of an unauthorized solicitation for equity purchase in the news service. UPI said the brokerage company had acted without its consent.

"PRI/TECH"  
PRIVATE AMERICAN TECHNOLOGY S.A.  
Société Anonyme d'Investissement  
Registered Office: Luxembourg - 20 Bd. Emmanuel-Servais  
L.C. Luxembourg B 20.566

Notice is hereby given that the ANNUAL GENERAL MEETING of the shareholders of pri/tech will be held at the registered office at 2.30 p.m. on April 29, 1985 with the following AGENDA:

1. Approval of the reports of the board of directors and of the statutory auditor.
2. Approval of the balance sheet and profit and loss account for the fiscal year ended December 31, 1984.
3. Allocation of the net result.
4. Discharge to the statutory auditor for the proper performance of its duties during the fiscal year ended December 31, 1984.
5. Re-election of the statutory auditor and election of two new directors.

Resolutions of the shareholders will be passed at a simple majority of those present and voting. Each share is entitled to one vote provided no person is shareholder and/or proxyholder may vote for more than 25% of the shares issued nor for more than 40% of the shares present at the meeting.

and that an

## EXTRAORDINARY GENERAL MEETING

Of the company will be held immediately thereafter with the following agenda:

1. Amendment of the last part of article 3 and of article 30 of the articles of incorporation by substituting a reference to the law of 25th August 1983 as collective investment undertakings to that of the 31st July, 1989 on holding companies.
2. Amendment of the fourth sentence of the second part of article 21 of the articles of incorporation, which shall read as follows: the redemption price, which shall be determined at least once a month shall be the net asset value per share calculated in conformity with article 23 hereafter at the valuation date on which the redemption request is received, provided the company receives such a request before noon, Luxembourg time, or at the next valuation date, if receipt takes place after such time at a valuation date.
3. Insertion of the following at the end of the first part of







# Over-the-Counter

NASDAQ National Market Prices

April 10

Sales in 100s High Low 2 P.M. Chg

(Continued from Page 12)

Symbol	Price	Change
AMC	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8

Symbol	Price	Change
AMC	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8

Symbol	Price	Change
AMC	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8

Symbol	Price	Change
AMC	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8

Symbol	Price	Change
AMC	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8

Symbol	Price	Change
AMC	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8

Symbol	Price	Change
AMC	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8

Symbol	Price	Change
AMC	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8

Symbol	Price	Change
AMC	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8

Symbol	Price	Change
AMC	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8

Symbol	Price	Change
AMC	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8

# AMEX

Wednesday's 3 p.m.

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Via The Associated Press

Symbol	Price	Change
AMC	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8

Symbol	Price	Change
AMC	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8

Symbol	Price	Change
AMC	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8

Symbol	Price	Change
AMC	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8

Symbol	Price	Change
AMC	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8

Symbol	Price	Change
AMC	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8

Symbol	Price	Change
AMC	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8

Symbol	Price	Change
AMC	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8

Symbol	Price	Change
AMC	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8

Symbol	Price	Change
AMC	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8

Symbol	Price	Change
AMC	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8

# Competitors Cite Japan Cargo Line

Los Angeles Times Service

WASHINGTON—The entry of a new Japanese cargo airline will seriously erode the ability of U.S. airlines to compete on the busy trans-Pacific route, according to industry officials.

Representatives of Los Angeles-based Flying Tiger Line complained Tuesday to the International Trade Commission that the structure of the new Nippon Cargo Airlines, owned primarily by Japanese shippers and freight forwarders, will unfairly increase Japan's dominance of the huge U.S.-East Asian cargo market.

The officials of Flying Tiger, the largest American cargo carrier flying between the United States and Japan, added that the Japanese already have a complex web of restrictions on U.S. air-cargo carriers doing business in Japan. "We are willing to do whatever is necessary to be able to compete with any other carrier, U.S. or foreign, provided the competition is fair," Peter Hubbard, Flying Tiger's senior vice president for sales and service, said.

Mr. Hubbard and officials from other air-cargo, ocean-shipping and air-charter companies testified at the commission hearing on how the cargo-transportation industry affects trade between the United States and Japan.

Nippon Cargo sought U.S. approval last year to operate regular flights between Tokyo, San Francisco and New York. The Reagan administration has not yet decided the matter.

Flying Tiger, which operates 19 Boeing 747 jets, told the commission that because Nippon Cargo is owned by major Japanese shippers and freight forwarders that control virtually all of the air cargo originating in Japan, it would likely be assigned an unfair proportion of new air shipments.

Flying Tiger officials also contend that Japanese government guidelines that require Nippon Cargo to cooperate with Japan Airlines could further affect the amount of cargo available to U.S. companies.

Japan Airlines controls nearly 50 percent of the trans-Pacific air-cargo market. U.S. carriers have a 39-percent market share, of which Flying Tiger has 27 percent.

Cyril D. Murphy, vice president of international and governmental affairs for Flying Tiger, said in an interview that, without greater flexibility for his company to operate in Japan, "Ten years from now, we'll be an insignificant part of the marketplace."

U.S. officials, however, say they are not yet ready to approve the Nippon Cargo flights. They say they need more information about the airline's financial structure and its relationship with Japanese shippers and freight forwarders.

The commission hearing is part of a larger effort by the U.S. government to ensure that foreign airlines operating in the United States are subject to the same rules and regulations as U.S. airlines.

The hearing is scheduled for next week, and officials from both Flying Tiger and Nippon Cargo are expected to attend.

The commission's decision on Nippon Cargo's application will have a significant impact on the trans-Pacific air-cargo market.

# WestLB

International S.A.

Condensed Balance Sheet as per December 31, 1984

Assets	in millions of DM	previous year
Amounts due from banks	3,638.8	3,581.5
Loans and advances to customers	6,464.2	6,611.1
Securities	464.9	391.7
Other assets	418.7	337.9
	10,986.6	10,922.2

LIABILITIES	in millions of DM	previous year
Amounts due to banks	9,228.2	9,436.1
Current deposits and other accounts	723.3	563.6
Other liabilities	277.6	275.6
Share capital	125.5	125.5
Reserves	214.3	199.0
Provisions	405.1	309.7
Profit	12.6	12.7
	10,986.6	10,922.2

The unabridged annual statement as well as the profit and loss accounts will be published in the "MEMORIAL, Amtsblatt des Grossherzogtums Luxemburg, Ausgabe C" (Official Gazette of the Grand Duchy of Luxembourg, edition C)

WestLB International S.A.  
32-34, boulevard  
Grande-Duchesse Charlotte  
P.O. Box 420  
L-1014 Luxembourg  
Telephone: 447411

Subsidiary of  
Westdeutsche Landesbank  
Girozentrale  
Düsseldorf/Münster

Trade and Investment Opportunities in Hungary

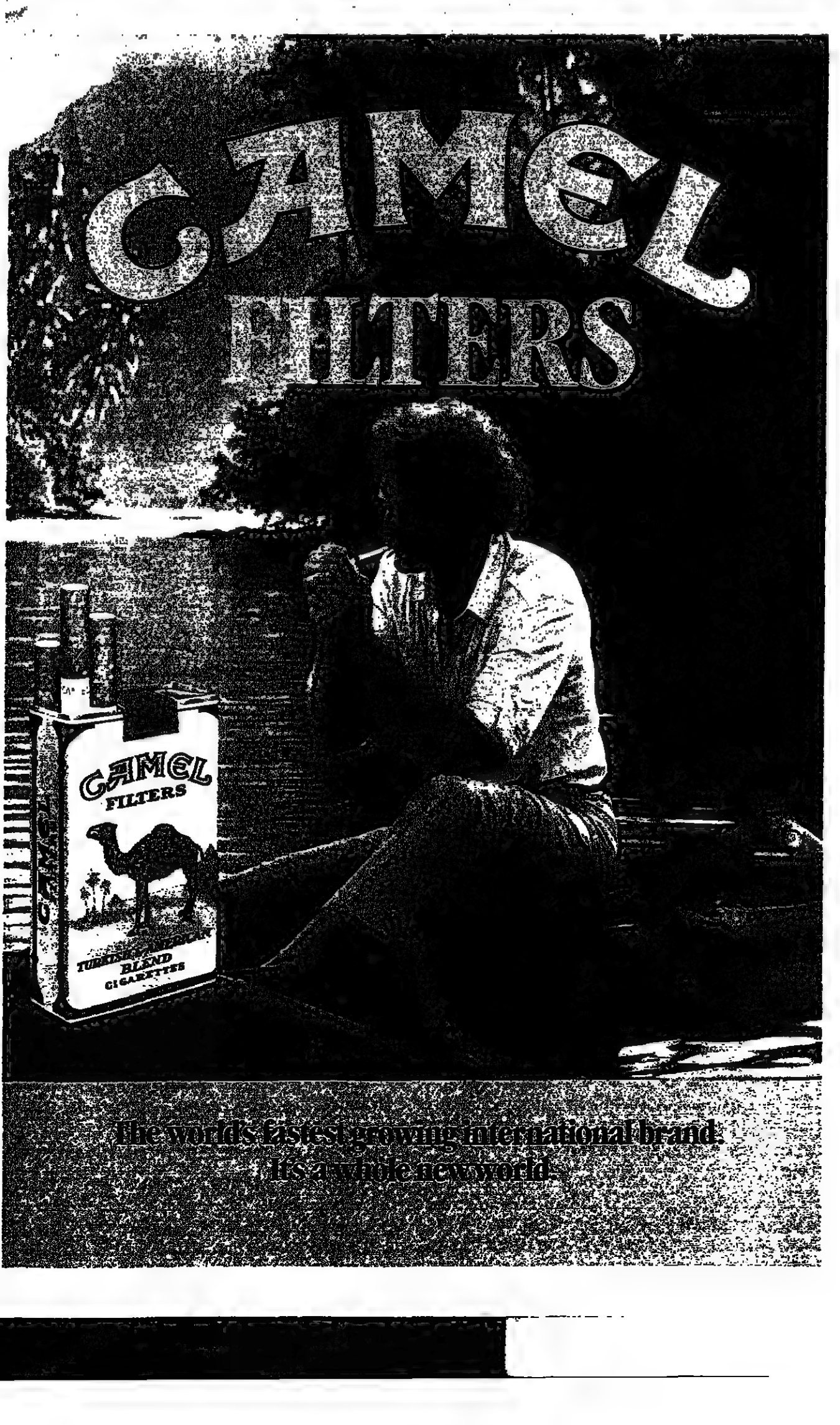
A CONFERENCE ON  
TRADE AND INVESTMENT  
OPPORTUNITIES  
BUDAPEST, JUNE 13-14 1985.

The International Herald Tribune conference on "Trade and Investment Opportunities in Hungary" will be of keen interest to any executive concerned about future economic relations between East and West.

Speakers at this landmark conference will include Hungarian government ministers, business leaders, bankers and economists.

For further information, please contact the International Herald Tribune conference office, 181, avenue Charles de Gaulle, 92521 Neuilly Cedex, France. Tel: 747 1265. Telex: 613 595 F.

Symbol	Price	Change
AMC	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8
AMT	1.10	+1/8

















## SPORTS

## Flyers Biggest Threat to Oiler Supremacy

By Sam McManis

Los Angeles Times Service

EDMONTON, Alberta — More than just the Stanley Cup seemed to have changed hands last spring when the Edmonton Oilers defeated the Philadelphia Flyers in the National Hockey League championship series.

It seemed hockey itself would undergo a drastic change in style as one dynasty gave way to another on its way. Edmonton's convincing five-game victory was a triumph of speed and finesse over the bumpy and grind game that had made the Islanders and others so successful over the years.

The sleek, it appeared, were about to inherit the ice. Yet here it is the start of the 1984-85 playoffs, and that hasn't happened. The Oilers may not be the dynasty force they seemed after last season, and most of their challengers have not really changed to Edmonton's streamlined style of hockey.

Since it holds the cup and still has the prolific Wayne Gretzky, Edmonton is the logical choice to repeat. But unlike recent seasons, there are several teams that could win the championship.

Regular-season results can mean little once the playoffs begin. Ask the Philadelphia Flyers, the team many view as the top contender.

The Flyers have compiled the NHL's fourth-best record over the last three seasons, but have been swept in the first round of the playoffs each year.

This season, the Flyers were the surprise champions of the Patrick

Division, finishing with a league-leading 113 points. It doesn't seem possible Philadelphia will continue its playoff drought — they are 0-4 for going into Wednesday's first round.

In the past, the Flyers won by outmuscled, outworking and outpunching opponents. This season, under rookie Coach Mike Keenan, they have added youth and speed without wholly abandoning their grinding style. The result was a 53-

## NHL PLAYOFF PREVIEW

20-7 record that surprised even themselves.

With an average age of 24.5, Philadelphia has the youngest team in the league. Center Tim Kerr, 25, has become the star and leader the Flyers needed after Bobby Clarke retired to become general manager.

Kerr scored more than 50 goals for the second straight season. Brian Propp, with 43 goals, and Captain Dave Poulin, with 30, also supplied offensive strength.

Goalender Pelle Lindbergh, who has 40 games and had a 3.02 goals-against average, has headed a defense that gave up the third-fewest goals in the league.

Edmonton is probably hoping the Flyers don't make it to the championship series. In the last eight games between the teams, the Flyers have an 8-0-1 record.

But if the Flyers fail again, others are capable of challenging Edmonton. Any of three Adams Division teams — Montreal, Quebec and Buffalo — could challenge Edmonton.

It seems remote, but there's a chance the Oilers won't make it out of the Campbell Conference. Every Smythe Division playoff team, except Los Angeles, had more points than any Norris Division team.

Gretzky has said the first two playoff rounds against Smythe teams could be the Oilers' toughest.

## PATRICK DIVISION

Two seasons ago, Philadelphia played the New York Rangers in a first-round series that didn't figure to be close. It wasn't. The underdog Rangers won in a sweep.

Philadelphia figures to be involved in a much tougher clash against the winner of the Washington-New York Islanders series. Based on the standings, the Capitals have to rate as the favorite, since they finished 15 points ahead of the Islanders. But after playing most of the regular season without a set lineup because of injuries, New York is close to full strength.

Forwarders Clark Gillies, Bob Bourne, Brent Sutter and Pat LaFontaine are back and producing after having gone through assorted injuries and ailments.

Washington has lost to the Islanders the last two seasons' playoffs, but it was thought the Capitals had matured to the point where they might be ready to overtake New York. In recent weeks, though, their weaknesses have been exposed. The Caps rely almost strictly on Mike Gartner (102 points) and Bobby Carpenter (95) for scoring. Rod Langway, last season's Norris Trophy winner as best

defenseman, has been sub-par, and Coach Bryan Murray still hasn't decided whether to go with Pat Riggin or Al Jensen in goal.

## ADAMS DIVISION

This group produced the most suspense during the regular season, and the first two rounds of the playoffs also should be close.

Montreal swept Boston in the first round last year, when the roles were reversed — the Bruins had finished first and the Canadiens fourth. The Canadiens seem to have enough offensive firepower to win, but their young defense may break down in later rounds.

Quebec has a goaltending problem: Richard Segura was bombed in a 7-3 loss to Montreal last week. Dan Bouchard has been a disappointment all year and Mario Gosselin is a rookie. The Nordiques have an explosive offense, however, led by the line of Peter Stastny, Anton Stastny and Michel Goulet.

But Buffalo has the division's best defense and goaltender, Tom Barasso. If the Sabres can muster enough offense, they can beat the Nordiques and the Canadiens.

## SMYTHE DIVISION

Although Edmonton breezed through the regular season, their task won't be that easy in the playoffs. Last spring, Calgary took the Oilers to seven games in the second round before the Oilers overcame a third-period deficit and won a series that was dubbed the Battle of Alberta. There will be a sequel if the Oilers beat Los Angeles, as expected, and the Flames get past Winnipeg in the first round.

The Calgary-Winnipeg matchup should be close. Although Winnipeg

finished two points ahead of Calgary for second place, the Flames this year were an impressive 1-5-2 against the Jets (and are 18-4 over the last three seasons).

Except against Calgary, however, Winnipeg has been all but unbeatable during the last two months. The Jets went undefeated in their last 13 games and finished with the league's fourth-best record.

Calgary goaltender Reggie Le-

me finished two points ahead of Calgary for second place, the Flames this year were an impressive 1-5-2 against the Jets (and are 18-4 over the last three seasons).

Except against Calgary, however, Winnipeg has been all but unbeatable during the last two months. The Jets went undefeated in their last 13 games and finished with the league's fourth-best record.

Calgary goaltender Reggie Le-

me finished two points ahead of Calgary for second place, the Flames this year were an impressive 1-5-2 against the Jets (and are 18-4 over the last three seasons).

Except against Calgary, however, Winnipeg has been all but unbeatable during the last two months. The Jets went undefeated in their last 13 games and finished with the league's fourth-best record.

Calgary goaltender Reggie Le-

me finished two points ahead of Calgary for second place, the Flames this year were an impressive 1-5-2 against the Jets (and are 18-4 over the last three seasons).

Except against Calgary, however, Winnipeg has been all but unbeatable during the last two months. The Jets went undefeated in their last 13 games and finished with the league's fourth-best record.

Calgary goaltender Reggie Le-

me finished two points ahead of Calgary for second place, the Flames this year were an impressive 1-5-2 against the Jets (and are 18-4 over the last three seasons).

Except against Calgary, however, Winnipeg has been all but unbeatable during the last two months. The Jets went undefeated in their last 13 games and finished with the league's fourth-best record.

Calgary goaltender Reggie Le-

me finished two points ahead of Calgary for second place, the Flames this year were an impressive 1-5-2 against the Jets (and are 18-4 over the last three seasons).

Except against Calgary, however, Winnipeg has been all but unbeatable during the last two months. The Jets went undefeated in their last 13 games and finished with the league's fourth-best record.

Calgary goaltender Reggie Le-

me finished two points ahead of Calgary for second place, the Flames this year were an impressive 1-5-2 against the Jets (and are 18-4 over the last three seasons).

Except against Calgary, however, Winnipeg has been all but unbeatable during the last two months. The Jets went undefeated in their last 13 games and finished with the league's fourth-best record.

Calgary goaltender Reggie Le-

me finished two points ahead of Calgary for second place, the Flames this year were an impressive 1-5-2 against the Jets (and are 18-4 over the last three seasons).

Except against Calgary, however, Winnipeg has been all but unbeatable during the last two months. The Jets went undefeated in their last 13 games and finished with the league's fourth-best record.

Calgary goaltender Reggie Le-

me finished two points ahead of Calgary for second place, the Flames this year were an impressive 1-5-2 against the Jets (and are 18-4 over the last three seasons).

Except against Calgary, however, Winnipeg has been all but unbeatable during the last two months. The Jets went undefeated in their last 13 games and finished with the league's fourth-best record.

Calgary goaltender Reggie Le-

me finished two points ahead of Calgary for second place, the Flames this year were an impressive 1-5-2 against the Jets (and are 18-4 over the last three seasons).

Except against Calgary, however, Winnipeg has been all but unbeatable during the last two months. The Jets went undefeated in their last 13 games and finished with the league's fourth-best record.

Calgary goaltender Reggie Le-

me finished two points ahead of Calgary for second place, the Flames this year were an impressive 1-5-2 against the Jets (and are 18-4 over the last three seasons).

Except against Calgary, however, Winnipeg has been all but unbeatable during the last two months. The Jets went undefeated in their last 13 games and finished with the league's fourth-best record.

Calgary goaltender Reggie Le-

me finished two points ahead of Calgary for second place, the Flames this year were an impressive 1-5-2 against the Jets (and are 18-4 over the last three seasons).

Except against Calgary, however, Winnipeg has been all but unbeatable during the last two months. The Jets went undefeated in their last 13 games and finished with the league's fourth-best record.

Calgary goaltender Reggie Le-

me finished two points ahead of Calgary for second place, the Flames this year were an impressive 1-5-2 against the Jets (and are 18-4 over the last three seasons).

Except against Calgary, however, Winnipeg has been all but unbeatable during the last two months. The Jets went undefeated in their last 13 games and finished with the league's fourth-best record.

Calgary goaltender Reggie Le-



Pelle Lindbergh's standout goaltending has been a major reason for the Flyers' success under rookie Coach Mike Keenan.

## SCOREBOARD

## Hockey

## Final National Hockey League Leaders

## SHOOTING PERCENTAGE

## GOALKEEPING

## POWER-PLAY GOALS

## SHORT-HANDED GOALS

## GAME-WINNING GOALS

## SHOTS

## BASEBALL

## Major League Standings

## NATIONAL BASKETBALL ASSOCIATION STANDINGS

## Transition

## TUESDAY'S LINE SCORES

## FLAMINGO DISQUALIFICATION OVERTURNED

## UEBERROTH SEES NO APT EXPANSION CITY

## FLYERS BIGGEST THREAT TO OILER SUPREMACY

## SEAVER WINS RECORD 15TH OPENING-DAY START, 4-2

## BASEBALL ROUNDUP

## FOOTBALL

## USFL Leaders

## WESTERN CONFERENCE

## NORTH DIVISION

## SOUTH DIVISION

## EAST DIVISION

## NATIONAL FOOTBALL LEAGUE

## AFC EAST DIVISION

## AFC NORTH DIVISION

## AFC SOUTH DIVISION

## AFC WEST DIVISION

## NFC EAST DIVISION

## NFC NORTH DIVISION

## NFC SOUTH DIVISION

## NFC WEST DIVISION

## AMERICAN FOOTBALL LEAGUE

## AFC NORTH DIVISION

## AFC SOUTH DIVISION

## AFC WEST DIVISION

## NFC EAST DIVISION

## NFC NORTH DIVISION

## NFC SOUTH DIVISION

## NFC WEST DIVISION

## AMERICAN FOOTBALL LEAGUE

## AFC NORTH DIVISION

## AFC SOUTH DIVISION

## AFC WEST DIVISION

## NFC EAST DIVISION

## NFC NORTH DIVISION

## NFC SOUTH DIVISION

## NFC WEST DIVISION

## AMERICAN FOOTBALL LEAGUE

## AFC NORTH DIVISION

## AFC SOUTH DIVISION

## AFC WEST DIVISION

## NFC EAST DIVISION

## NFC NORTH DIVISION

## NFC SOUTH DIVISION

## NFC WEST DIVISION

## AMERICAN FOOTBALL LEAGUE

## AFC NORTH DIVISION

## AFC SOUTH DIVISION

## AFC WEST DIVISION

## NFC EAST DIVISION

## NFC NORTH DIVISION

## NFC SOUTH DIVISION

## NFC WEST DIVISION

## AMERICAN FOOTBALL LEAGUE

## AFC NORTH DIVISION

## AFC SOUTH DIVISION

## AFC WEST DIVISION

## NFC EAST DIVISION

## NFC NORTH DIVISION

## NFC SOUTH DIVISION

## NFC WEST DIVISION

## Baseball

## Major League Standings

## NATIONAL BASKETBALL ASSOCIATION STANDINGS

## Transition

## TUESDAY'S LINE SCORES

## FLAMINGO DISQUALIFICATION OVERTURNED

## UEBERROTH SEES NO APT EXPANSION CITY

## FLYERS BIGGEST THREAT TO OILER SUPREMACY

## SEAVER WINS RECORD 15TH OPENING-DAY START, 4-2

## BASEBALL ROUNDUP

## FOOTBALL

## USFL Leaders

## WESTERN CONFERENCE

## NORTH DIVISION

## SOUTH DIVISION

## EAST DIVISION

## NATIONAL FOOTBALL LEAGUE

## AFC EAST DIVISION

## AFC NORTH DIVISION

## AFC SOUTH DIVISION

## AFC WEST DIVISION

## NFC EAST DIVISION

## NFC NORTH DIVISION

## NFC SOUTH DIVISION

## NFC WEST DIVISION

## AMERICAN FOOTBALL LEAGUE

## AFC NORTH DIVISION

## AFC SOUTH DIVISION

## AFC WEST DIVISION

## NFC EAST DIVISION

## NFC NORTH DIVISION

## NFC SOUTH DIVISION

## NFC WEST DIVISION

## AMERICAN FOOTBALL LEAGUE

## AFC NORTH DIVISION

## AFC SOUTH DIVISION

## AFC WEST DIVISION

## NFC EAST DIVISION

## NFC NORTH DIVISION

## NFC SOUTH DIVISION

## NFC WEST DIVISION

## AMERICAN FOOTBALL LEAGUE

## AFC NORTH DIVISION

## AFC SOUTH DIVISION

## AFC WEST DIVISION

## NFC EAST DIVISION

## NFC NORTH DIVISION

## NFC SOUTH DIVISION

## NFC WEST DIVISION

## AMERICAN FOOTBALL LEAGUE

## AFC NORTH DIVISION

## AFC SOUTH DIVISION

## AFC WEST DIVISION

## NFC EAST DIVISION

## NFC NORTH DIVISION

## NFC SOUTH DIVISION

## NFC WEST DIVISION

## AMERICAN FOOTBALL LEAGUE

## AFC NORTH DIVISION

## AFC SOUTH DIVISION

## AFC WEST DIVISION

## NFC EAST DIVISION

## NFC NORTH DIVISION

## NFC SOUTH DIVISION

## NFC WEST DIVISION

## AMERICAN FOOTBALL LEAGUE

## AFC NORTH DIVISION

## AFC SOUTH DIVISION

## AFC WEST DIVISION

## NFC EAST DIVISION

## NFC NORTH DIVISION

## NFC SOUTH DIVISION

## NFC WEST DIVISION

## AMERICAN FOOTBALL LEAGUE

## AFC NORTH DIVISION

## AFC SOUTH DIVISION

## AFC WEST DIVISION

## NFC EAST DIVISION

## NFC NORTH DIVISION

## NFC SOUTH DIVISION

## NFC WEST DIVISION

## AMERICAN FOOTBALL LEAGUE

## AFC NORTH DIVISION

## AFC SOUTH DIVISION

## AFC WEST DIVISION

## NFC EAST DIVISION

## NFC NORTH DIVISION

## NFC SOUTH DIVISION

## NFC WEST DIVISION

## AMERICAN FOOTBALL LEAGUE

## Baseball

## Major League Standings

## NATIONAL BASKETBALL ASSOCIATION STANDINGS

## Transition

## TUESDAY'S LINE SCORES

## FLAMINGO DISQUALIFICATION OVERTURNED

## UEBERROTH SEES NO APT EXPANSION CITY

## FLYERS BIGGEST THREAT TO OILER SUPREMACY

## SEAVER WINS RECORD 15TH OPENING-DAY START, 4-2

## BASEBALL ROUNDUP

## FOOTBALL

## USFL Leaders

## WESTERN CONFERENCE

## NORTH DIVISION

## SOUTH DIVISION

## EAST DIVISION

## NATIONAL FOOTBALL LEAGUE

## AFC EAST DIVISION

## AFC NORTH DIVISION

## AFC SOUTH DIVISION

## AFC WEST DIVISION

## NFC EAST DIVISION

## NFC NORTH DIVISION

## NFC SOUTH DIVISION

## NFC WEST DIVISION

## AMERICAN FOOTBALL LEAGUE

## AFC NORTH DIVISION



